

Natco Economicals Limited

Year 2014-15

21st Annual Report

21stAnnual Report of Natco Economicals Limited

Corporate Profile

CIN No: L65910GJ1994PLC022240

Board of Directors

Name of Director	Designation
➤ Haresh Patel	Whole Time Director
➤ Rupesh Rajeshbhai Upadhyay	Independent Director
➤ Dhvani Contractor	Independent Woman Director
➤ Bhadresh Bhavsar	Independent Director
➤ SajjanChaudhary	(upto 18/05/2015)
➤ Ripul Kotecha	(upto 30/03/2015)
➤ Sarjukumar Parikh	(upto 04/02/2015)

Registered Office

404, Kalyan Chamber, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad - 380001

Annual General Meeting

Date: 30/09/2015 Time: 12.30 P.M Onwards

Venue of AGM: 404, Kalyan Chamber, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad - 380001

Independent Auditors

Jayesh Patel &Co.

91, Mahavir Tower, Nr. Mahalaxmi Cross Road, Paldi Ahmedabad- 380007.

Phone No: 079-40373541 Mobile No. 0-9725800888

Email: -cajbpatel@gmail.com

Bankers

ICICI BANK

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Audit Committee

<i>Rupesh Upadhyay</i>	<i>Chairman</i>
<i>Haresh Patel</i>	<i>Member</i>
<i>Sarjukumar Parikh</i>	<i>Member</i>

Nomination & Remuneration Committee

<i>Rupesh Upadhyay</i>	<i>Chairman</i>
<i>Ripul Kotecha</i>	<i>Member</i>
<i>Sajjan Chaudhary</i>	<i>Member</i>

Stakeholder Grievance Committee

<i>Sajjan Chaudhary</i>	<i>Chairman</i>
<i>Rupesh Upadhyay</i>	<i>Member</i>
<i>Haresh Patel</i>	<i>Member</i>

Share Transfer Agents

M/s. MCS Share Transfer Agent Ltd (Vadodara)

*10, Aaram Apartment, Sampatrao Colony 12, Behind Laxmi Hall, Alkapuri, Vadodara- 390007, Phone: 0265 231 0683
Email: mcsahmd@gmail.com, Website: www.mcsdel.com*

Secretarial Auditors

M/s S Bhattbhatt & Co.

103, Krishna Tower, Opp. Bank of Baroda, R.V Desai Road, Vadodara -390001

Listed on Stock Exchanges

Ahemdabad Stock Exchange

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Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to intimate their e-mail ID to the Company or send it through email at [natcoecolimited@gmail](mailto:natcoecolimited@gmail.com) mentioning their name(s) and folio number or send the details at Company's Registered Office.

Notice

NOTICE is hereby given that the 21st Annual General Meeting of the Members of Natco Economicals Limited will be held on Wednesday 30th September, 2015 at 12.30 P.M., at registered office of the company at 404, Kalyan Chamber, Nawa Darwaja Road, Khadia Char Rasta, and Ahemdabad - 380001 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rupesh Upadhyay (holding DIN no.06999217), who retires by rotation in, terms of Section 152(6) of Companies Act, 2013 and being eligible offers herself for reappointment..
3. To Re-appoint Auditors and fix their Remuneration in this regard to Consider and if thought fit to pass the following Resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 & other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Jayesh Patel & Co, Chartered Accountants ,Ahemdabad, (Membership No. 034745), the retiring Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM (subject to ratification by members at every AGM held after this AGM) and that the Board of Directors be and is hereby authorized to fix the remuneration as may be recommended by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS

4. Appointment of Miss Dhvani Hareshbhai Contractor as an Independent Director

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 Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Qualification of Directors)

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Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, Miss Dhvani Hareshbhai Contractor, (DIN: 07160128), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30th March, 2015 in terms of Section 161(1) of the Act and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160(1) of the Act from the member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive three years for a term upto 29th March,, 2018

5. Appointment of Mr. Bhadreshkumar Jagdish Bhavsar as an Independent Director.

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 Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, Mr. Bhadreshkumar Jagdish Bhavsar, (DIN: 07152836), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 18th May, 2015 in terms of Section 161(1) of the Act and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160(1) of the Act from the member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for consecutive three years for a term upto 17th May, 2018.

Regd. Office:

404, Kalyan Chamber,
Nawa Darwaja Road,
Khadia Char Rasta,
Ahmedabad-380001

By the Order of Board

Haresh Patel
(Whole Time Director)

Date: 13th August, 2015

Place : Ahemdabad

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy/Proxies to attend and vote on a poll instead of him/her and such a proxy/proxies need not be a member of the Company.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent 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 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. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.

2. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Moreover, Members /proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed and forms part of the Notice.
4. As required by clause 49 of Listing Agreement, a brief profile of Mr. Rupesh Upadhyay retiring by rotation and seeking re-appointment under item no. 2 aforesaid in accordance with applicable provisions of the Companies Act, 2013 as well as those Directors who have been appointed since last Annual General Meeting are annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from September 28, 2015 to September 30, 2015 (both days inclusive).
6. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
7. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.

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- 8.** *The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.*
- 9.** *All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.*
- 10.** *Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its Registrar & Share Transfer Agent along with relevant Share Certificates.*
- 11.** *Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and/or change in address and bank account, to company's Registered Office.*
- 12.** *Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Compliance Officer of the Company at the registered office of the Company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.*
- 13.** *Voting Through Electronic Voting (E-Voting Procedure)*
 - 1.** *In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 21st 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).*
 - 2.** *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.*

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3. 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.

4. The remote e-voting period commences on 27th September, 2015 (9:00 am) and ends on 29th September, 2015 (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 23rd September, 2015, 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.

5. 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; **[“Natco Economicals Limited 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 following 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 **[Natco Economicals 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.

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(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 suhasbrd@rediffmail.com or natcoecolimited@gmail.com with a copy marked to evoting@nsdl.co.in

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 as below/ at the bottom of the Attendance Slip for the AGM:

REVEN (Remote e-voting Event Number) USER ID PASSWORD/ PIN.

(ii) Please follow all steps from Sl. No. (ii) To Sl. No. (xii) Above, to cast vote.

6. *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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.*

7. *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.*

8. *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).*

9. *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 23rd September, 2015.*

10. *Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 23rd September, 2015. May obtain the login ID and password by sending a request at evoting@nsdl.co.in or natcoecolimited@gmail.com 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*

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your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com.

11. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

12. Mr. S.D Bhattbhatt, Company Secretary (Membership No. 11975), Proprietor M/s. S Bhattbhatt & Co., Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

13. 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 but have not cast their votes by availing the remote e-voting

14 .The Scrutinizer shall after the conclusion of voting at the AGM, 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 favor 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.

15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.natecoltd.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.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

17. This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.

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14. All documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.

15. The entire Annual Report is also available on the Company's website www.natecoltd.com

Regd. Office:

404, Kalyan Chamber,
Nawa Darwaja Road,
Khadia Char Rasta,
Ahemdabad-380001

By Order of the Board

SD/-
Haresh Patel
(Whole Time Director)

Place: Ahemdabad

Date: 13th August, 2015

Item No. 2: Details of Director Seeking Re-Appointment in the Ensuing Annual General Meeting

Name of Director	Rupesh Upadhyay
Age	29 Yrs
Nationality	Indian
Date of Appointment	29.09.2011
Expertise & Qualification	Chartered Accountant (CA) having expertise knowledge in the areas of taxation, investment analysis and has reasonable experience of accounting.
Shareholding in Natco Economicals Limited	Nil
List of outside directorship	Nil

Item No. 4

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

Pursuant to the recommendation by the Nomination Committee of the company, Miss Dhvani Hareshbhai Contractor (DIN: 07160128) was appointed by the Board as an Additional Director on the Board of your Company pursuant to section 161(1) of the Companies Act, 2013, Her appointment became effective from 30th March, 2015. Miss Dhvani Hareshbhai Contractor holds office upto the date of ensuing Annual General Meeting. A notice under section 160(1) of the

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Companies Act, 2013 has been received from a member along with the deposit proposing the candidature of Miss Dhvani Hareshbhai Contractor as Director of the Company.

Miss Dhvani Hareshbhai Contractor is aged about 31years, received a Degree in B.Tech (Electrical Engineering) has around 7 Years of experience as consultant for many Corporates relating to Effluent treatment plant. She is also good administrator and sound experience to deal with critical situations.

Dhvani Hareshbhai Contractor does not hold any shares of the Company as on date of this Notice.

Dhvani Hareshbhai Contractor holds Directorship in Rachana Capital And Securities Limited and M3 Global Finance Limited

The Board considers that the appointment of Dhvani Hareshbhai Contractor as member of Board would be of immense benefit to the Company. In opinion of the Board, Miss Dhvani Hareshbhai Contractor fulfils the conditions specified in the Act and rules made there under to be appointed as an Independent Director under section 149 of the Act and Clause 49 of the Listing Agreement, not liable to retire by rotation for term of three years, uptill 29th March, 2015.

This Explanatory Statement may also be regarded as a disclosure under clause 49of the Listing Agreement with the Stock Exchanges.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of her as Independent Director is now being placed before the Members for their approval. The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Item No. 5

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

Pursuant to the recommendation by the Nomination Committee of the company , Mr. Bhadresh Jagdish Bhavsar (DIN: 07152836) was appointed by the Board as an Additional Director on the Board of your Company pursuant to section 161(1) of the Companies Act, 2013, his appointment became effective from 18th May, 2015. Mr. Bhadresh Jagdish Bhavsar holds office upto the date of ensuing Annual General Meeting. A notice under section 160(1) of the Companies Act, 2013 has been received from a member along with the deposit proposing the candidature of Mr. Bhadresh Jagdish Bhavsar as Director of the Company.

Mr. Bhadreshkumar Jagdish Bhavsar is aged about 28 years and is a graduate & having experience in field of trading and marketing in chemical and finance

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industry and his Public Relation in the field would be helpful in exploring new financial avenues for expansion and growth of the Company.

Mr. Bhadresh Jagdish Bhavsar does not hold any shares of the Company as on date of this Notice.

Mr. Bhadresh Jagdish Bhavsar holds Directorship in Natco Synthetics Private Limited

The Board considers that the appointment of Mr. Bhadresh Jagdish Bhavsar as member of Board would be of immense benefit to the Company. In opinion of the Board, Mr. Bhadresh Jagdish Bhavsar fulfils the conditions specified in the Act and rules made there under to be appointed as an Independent Director under section 149 of the Act and Clause 49 of the Listing Agreement, not liable to retire by rotation for term of three years, uptill 17th May, 2018.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of him as Independent Director is now being placed before the Members for their approval. The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Regd. Office:

404, Kalyan Chamber,
Nawa Darwaja Road,
Khadia Char Rasta,
Ahmedabad-380001

By the Order of Board

SD/-

Haresh Patel

(Whole Time Director)

Date: 13th August, 2015

Place: Ahemdabad

Directors' Report

To The Members, Your Directors present this 21stAnnual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2015.

Financial Results

Particulars	(in Rupees)	
	Current Year 2014-15	Previous Year 2013-14
Total Income	23,70,313	8,77,857
Profit before Finance Cost and Depreciation	3,56,184	1,84,440
Less : Finance Cost	--	-
Profit before Depreciation	3,56,184	1,84,440
Less : Depreciation	52536	71,540
Profit/(Loss) before Tax	3,03,648	1,12,900
Provision for Tax		
Current Tax	91094	33,870
Deferred Tax	2485	384
Tax For earlier Years	0	0
Balance of Profit/(Loss) for the year	2,10,069	78,646
Balance Brought forward from the Previous year	1,86,808	1,08,162
Amount available for appropriation	--	-
Proposed Dividend	--	-
Tax on proposed Dividend	--	-
Balance Profit/(Loss) carried to Balance Sheet	3,96,877	1,86,808

Performance Review

During the year under review your Company sustained with limited growth path due to which though the gross total income increased from Rs1,84,440 to Rs23,70,313 in comparison of last year and net profit for the year increased from Rs. 1,86,808 in previous year to Rs. 3,96,877 for year under review.

Dividend

In order to conserve resources of the company for future plans, your directors did not recommend payment of any dividend for the year ended 31st March, 2015.

Directorate

Mr. Rupesh Upadhyay, Director of the Company, retires by rotation at this Annual General Meeting and being eligible offer himself for re-election.

Mr. Sarju Parikh Independent Director has resigned due to his pre-occupancy and ceased to be director of the Company w.e.f. 4th February, 2015. Mr. Sajjankumar Chaudhary has been appointed as Director of the company on the same date. However Mr. Sajjankumar Chaudhary has resigned from the Board due to health Issue and Mr. Bhadresh Bhavsar is appointed as Independent Director w.e.f. 18th May, 2015. During the year under review Mr. RipulKotecha has resigned from the Board and Ms. Dhvani Contractor is appointed as Independent Woman Director on 30th March, 2015.

Directors' Responsibility Statement:

Your directors' confirm:

- I.** *That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.*
- II.** *That the director's have selected such accounting policies & applied them consistently & made judgment & estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year & of the Profit of the company for the year.*
- III.** *That the director's have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company & for preventing & detecting fraud & other irregularities.*
- IV.** *That the director's have prepared the annual accounts on a going concern basis.*

Listed on Stock Exchanges

Ahemdabad Stock Exchange

Corporate Governance Report

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report, Management Discussion and Analysis, and the Auditor's Certificate regarding compliance of conditions of Corporate Governance, form part of the Annual Report.

Deposits

The Company has not invited or accepted any fixed deposit from the public during the year under review.

Secretarial Audit

Secretarial Audit Report as per Section 204 of Companies Act 2013 is placed as annexure to this report. No adverse comments have been made in the said report by the Practising Company Secretary.

Extracts of Annual Return and other disclosures under Companies (appointment & Remuneration) Rules, 2014

The Extract of Annual Return in form No MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 duly certified by the Practising Company Secretary is annexed hereto and forms part of this report. Further the Disclosure in the Board Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto and forms part of this report.

Declaration on Independent Directors

The Board of Directors declares that the Independent Directors Miss Dhvani Hareshbhai Contractor & Mr. Bhadreshkumar Bhavsar are:

- (a) in the opinion of the Board, are persons of integrity and possesses relevant expertise and experience;
- b) (i) who were or were not a promoter of the company or its holding, subsidiary or associate company who are not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- (c) Who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or Their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters, or directors, amounting to two percent or more of its gross turnover of total income or fifty Lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) Who, either himself or any of his relatives –

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(i) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial Year in which he is proposed to be appointed;

(ii) is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the Financial year in which he is proposed to be appointed, of –

(A) A firm of auditors or company secretaries in practice or cost auditors or the company or its holding, subsidiary or Associate company; or

(B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or Associate company amounting to ten percent or more of the gross turnover of such firm;

(iii) Holds together with his relative two per cent, or more of the total voting power of the company; or

(iv) Is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

Particulars of Loans, guarantees or investments

The particulars of Loans, Guarantees or investments as covered under provision of section 186 of the Companies Act, 2013 made by the company during financial year 2014-15 are given under the respective head and the same is furnished in the notes to the financial statement

Related Party Transactions

There were no materially and significant transaction with Related Parties i.e. Promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Companies interest. There were no transactions that took place with related parties which can be considered not to be in the normal course of business.

Particulars of Employees, Conservation Of Energy, Tec. Absorption Etc.

None of the Employees of the company was in receipt of the remuneration exceeding the limits prescribed under section 197 of the Companies Act, 2013 as amended, during the year under review.

Risk Management Policy implementation

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the following risks:

Stake holder is aware that financial services business has its own typical risks. The Company through its risk management system has clearly identified the external and internal risk affecting its business operations. These risks can have a serious impact on the operations of the Company as well as its profitability.

Some of the common risks for finance sector - in the current environment are as under:

Risk of Bad Debts (Non-Performing Assets)

The risk of NPA is always a pertinent part of the lending business. There is always a chance that accounts become bad due to fall or collapse in the value of the asset against which funds have been advanced due to a variety of reasons. However, in our case, the Company has put in place strong asset verification and valuation processes.

- ***Interest Rates***

The RBI had resorted to increasing the interest rates many times over the last eighteen months in order to control Inflation. The volatility in interest rate and high interest rate leads to default in re-payment and thus increase of interest rates would certainly affect the business of the Company.

- ***Risk of Competition***

With globalization and continuous flow of private as well as international institution in the finance market the risk of competition in any business, and the finance business is no different. We believe that competition spurs our team to innovate without losing sight of the customer needs, the need for safety of funds deployed and the need to ensure commensurate returns.

• **Global Economic Uncertainties**

The international events affect all financial markets of the world, and India is also affected. The affect was clearly felt in the previous year as the Indian Rupee continued to remain weak due to the crisis in Euro zone. This may results into to stay-away attitude by foreign investors, volatility in crude price, inflation which may turned into further stress on finance market. Company therefore focusing on investing its funds in assets that are fully secured and that will have least impact of global uncertainty.

The Company has put in place a Risk Management Policy as per the Guidelines so as to ensure that the risk parameters are within the defined limits

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2014-15, the Company has not received any complaint on sexual harassment.

Auditors

M/s. Jayesh Patel & Co., (Membership No. 034745) Chartered Accountants retire at the ensuing Annual General meeting. Financial Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible for reappointment. In accordance with the Companies Act 2013, it is proposed to re-appoint them as Auditors for the financial year 2015-16 from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

Acknowledgement

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its banker, State Bank of India and various Government agencies. Your Directors also wish to thank all the employees for their co-operation.

By Order of the Board
Place: Ahmedabad

Date: 13th August, 2015

for Natco Economicals Limited

SD/-

Haresh Patel

(Whole Time Director)

SD/-

Rupesh Upadhyay

(Director)

Management Discussion & Analysis Report

Overview

This Management Discussion and Analysis Report have to be read in conjunction with the Company's financial statements, which follows this section. The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, and Generally Accepted Accounting Principles (GAAP) in India and the directions issued by Reserve Bank of India for Non – Banking Financial Companies from time to time, wherever applicable. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis.

ECONOMIC OUTLOOK:

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. Further the Financial Year 2014-15 began on a positive note as there was a clear mandate for political stability. Therefore the growth drivers are expected to sustain over a long period of time. The drastic fall in crude price and stable inflation expecting reduction in interest rate in short term which is strong positive factors for overall industrial growth. However, at the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

COMPANY OVERVIEW:

The company is engaged mainly in lending business and the business strategy is largely dependent on the economic environment of the Country and the policy of the Government and Reserve Bank of India. We firmly believe that when India's long term growth story is remaining intact the growth of financial sector is obvious. The strategy of the company however fully concentrated on lowest risk business and we have diversified into third party product distribution instead of unsecured personal loan. With the time to come we believe that company will be well placed to leverage on the growth opportunities in the economy.

FINANCIAL PERFORMANCE:

The Company has achieved a turnover of Rs 23,70,313/- during the year with net profitability of Rs 3,96,877/- The company's income from operations primarily includes income from trading and distributions of financial products such as Interest income from Inter-Corporate Loan and Long Term Investments.

OPPORTUNITIES & THREATS:

Opportunities

- *Control of Inflation and Increase in Income levels will aid greater penetration of financial products.*
- *With new government and possibility of positive regulatory reforms.*
- *Increased securitization*
- *Focus on selling new, improved and tailor-made financial products*

Threats

- *Change in interest rate and increase in Inflation would dampen growth.*
- *Increased competition at local levels.*
- *Unfavorable economic development locally or globally.*
- *Heavy fluctuation in exchange rate*

RISK MANAGEMENT:

The company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision making taking note of the risk attributable.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has established its internal control system commensurate with the requirement of its size. The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are recorded and reported.

The Company's well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security,

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accurate reporting of financial transactions and compliance with applicable laws and regulations.

HUMAN RESOURCE:

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

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

This is to confirm that the Company has adopted a Code of conduct for its employees including the director. I confirm that the Company has in respect of the financial Year ended 31st March, 2015, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

By Order of the Board

Place: Ahemdabad

Date: 13th August, 2015

for Natco Economicals Limited

SD/-

Haresh Patel

(Whole Time Director)

SD/-

Rupesh Upadhyay

(Director)

Corporate Governance

Your company is furnishing the report on Corporate Governance for Financial years in succession. The Board of Directors is happy to state that your Company has been conforming to all applicable mandatory requirements stipulated in the listing agreement from time to time. Your Company has always endeavored to implement and maintain high standards of Corporate Governance norms and has been practicing the principles of good Corporate Governance.

A report in line with the requirements of the Listing Agreement and Guidelines on the Corporate Governances given below as a part of the Director's Report.

1. Company's Philosophy on Code of Corporate Governance

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We Natco Economicals Limited are committed to good corporate governance and its adherence to the best practices of true spirits at all times. Our corporate Governance philosophy rests on five basic tenets viz., Board's Accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

2. Board of Directors

(A) Composition

As on 31st March, 2015, the Company's Board consists of 4 Directors having considerable professional experience in their respective fields. Out of them Two are Independent Directors out of which one is Independent Women Director and out of Other two , one is Non- Executive Director and the other is Chairman and Executive Whole Time Director who is also the promoter of the Company. The Composition of the Board is in Conformity with clause 49 of Listing Agreements with Stock Exchanges and as per Companies Act, 2013 which is effective as on 31st March, 2015.

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(B) Directors' attendance at the Board Meetings during the year and also at the last Annual General Meeting, number of directorships in other companies and Membership/ Chairmanship in other committees etc. are as follows:

Name and Designation	Board Meeting Held during the tenure	Board Meeting Attended	No. of other Directorship 31.03.15	No. of other Membership In Committee As Member	No. of other Membership In Committee As Chairman	Attendance at the Last AGM held on 30.09.2014
Rupesh Rajeshbhai Upadhyay (Independent Director)	4	4	Nil	Nil	Nil	Present
RipulKotecha** (Independent Director)	4	4	1	Nil	Nil	Present
Hareshbhai Patel (Whole Time Director)	4	4	0	Nil	Nil	Present
Sarju Parikh** (Independent Director)	4	4	1	Nil	Nil	Present
SajjanChaudhary (Director)	4	1	1	Nil	Nil	***

* Are Directors who are appointed as Independent Director under Section 152 of Companies Act, 2013 who are also independent Directors under listing agreement?

** Is an Independent Director as per Listing Agreement Norms?

*** Indicates that concerned person was not a Director on Natco Economicals Limited Board on the relevant date.

2. Number of Board Meetings held with dates :

The number of Board meetings held during the year from 1st April 2014 to 31st March 2015 is the dates of meeting are given below:

1. 26th May 2014.
2. 18th August 2014.
3. 10th November 2014.
4. 4th February 2015.

The time gap between any two meetings did not exceed four months. The compliance report in respect of laws applicable to the Company has been periodically reviewed by the Board of Directors of the Company.

(C) Board Functions & Procedure

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically reviews all the relevant information which is required to be placed before it pursuant to Clause 49 of the Listing Agreement and in particular reviews the following:

- Approves corporate strategies, business plans, annual budgets, projects and capital expenditure.
- Annual plans, budgets and any updates therein.
- Capital budgets and any updates therein.
- Quarterly results for the Company
- Minutes of meetings of Audit Committee and other Committees of the board.
- Material show cause, demand, prosecution notices and penalty notices, if any.
- Fatal or serious accidents, dangerous occurrences, any.
- Any material default in financial obligations
- Any significant development in human resources.
- Sale of material nature, of investments, subsidiaries, assets which is not in the normal course of business.

Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behaviour, ensures transparency in corporate dealing and compliance with the laws and regulations. Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board meeting elaborate presentations are made to the Board. The members discuss each agenda item freely in detail. Four Board Meetings were held on (1) 26th May 2014. (2) 18th August 2014. (3) 10th November 2014. (4) 4th February 2015 during the year. Detailed Agenda Notes with necessary information were circulated in advance to the Board during the year, all the relevant information as mentioned in Clause 49 of the Listing Agreement was placed before the Board for its consideration. The Board plays pivotal role in insuring good governance, therefore it is always policy of the company that Board Members are free to give any suggestion to enhance capability of the company and effective good governance. The major information regularly supplied to Board includes:

Code of Conduct

In accordance with the amended clause 49 of the Listing Agreement, the company has adopted a code of conduct for his directors and senior

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executives. The details code of conduct is available at company's website at: natcoeconomicalsLtd@gmail.com

Declaration as required under clause 49 of listing agreement:

All Board members and senior management personnel affirm compliance with the code of conduct for the year 2014-15.

Haresh Patel(Whole Time Director)

3. Committees of the Board

In accordance with the Listing Agreement of the stock exchanges on Corporate Governance, the following committees, comprising highly experienced and professional board members, were in operation:

1. Audit Committee
2. Share Transfer / Investor Grievances Committee
3. Remuneration Committee

(I) Audit Committee

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Independent Auditors, Secretarial Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively. In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensures that the financial statements are correct, sufficient and credible and exercises the powers as Recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013.

Further your Audit Committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses if any issued by the statutory auditors;

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4. *Internal Audit report relating to internal control Weaknesses, if any and implementation of action points arising there from and*
5. *the appointment, removal and terms of remuneration of The Internal Auditors*
6. *Quarterly and annual financial statements and*
7. *Risk assessment and minimization procedure*
8. *Oversight of the Company's financial reporting process.*
9. *Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders.*
10. *Compliance with legal and statutory requirements*
11. *Integrity of Company's financial statements, discussing with the independent auditors the scope of the annual audits, and fees to be paid to the independent auditors.*
12. *Performance of Company's Internal Audit function, Independent Auditors and accounting practices.*
13. *Review of related party transactions, functioning of Whistle Blower Mechanism*
14. *Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.*
15. *Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the company.*

The Audit Committee comprises of Mr. Rupesh Upadhyay (Independent Director) Mr. Sarju Parikh (Independent Director) and Mr. Haresh Patel all are financially literate and having accounting and related Administrative Expertise. The Independent Auditors and the Secretarial Auditors of the Company is also invited to the Audit Committee meetings. The Chairman of the Audit Committee Mr. Rupesh Upadhyay was present at the Annual General Meeting of the Company held on 30th September, 2014.

During the financial year 2014-15 Four (4) meetings of the Audit Committee were held:

<i>1. 26th May 2014</i>
<i>2. 18th August 2014</i>
<i>3. 10th November 2014.</i>
<i>4. 4th February 2015</i>

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As on March 31, 2015, all three Directors of the Board are the Members of Audit Committee & the details of the meetings attended by members during the year 2014-15 are as follows:

Name of Member	Designation	No. of Meeting held during tenure	No. of meeting attended
Shri Rupesh Upadhyay	Chairman & Member	4	4
Shri Haresh Patel	Member	4	4
Shri Sarjukumar Parikh*	Member	4	4

The Chairman of the Audit Committee was present at the Annual General Meeting held on September 30, 2014.

*Mr. Sarju Parikh has ceased to be a member of Audit Committee due to his resignation from the Board of Directors w.e.f. 4th Feb, 2015.

(II) Stakeholders Relationship Committee/Investor Grievance Committee

In compliance with the provisions of Listing agreement and Section 178 of Companies Act, 2013, the company re-constituted this committee as "Stakeholders Relationship Committee". This committee of the Board of the Company looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report, shares after transfer and delays in transfer of shares. The committees also looks into issues including status of dematerialization/rematerialization of shares and issue of duplicate share certificates and tracks investor complaints and suggest measures for improvement from time to time.

During the financial year 2014-15 Four (4) meetings of the Shareholders'/ Investors' Grievance Committee were held: (1). 26th May 2014 (2) 18th August, 2014 (3) 10th November 2014 (4). 4th February, 2015

As on March 31, 2015, the Shareholders'/ Investors' Grievance Committee comprised of the following members & The details of the meetings attended by members during the year 2014-15 are as follows:

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<u>Name of Member</u>	<u>Designation</u>	<u>No. of Meeting held during tenure</u>	<u>No. of meeting attended</u>
1. Mr. Haresh Patel	Chairman	4	4
2. Mr. Rupesh Upadhyay	Member	4	4
3. Mr. RipulKotecha	Member	4	4
4. Mr. Sajjan Chaudhary*	Member	4	1

*Mr. Sajjankumar Chaudhary appointed as Director w.e.f 4th February, 2015 was also appointed as Member of Investor's Grievance Committee.

Complaints from Investors

No. of complaints pending at the beginning of the year:	Nil
No. of complaints received during the year ended 31.03.2015	Nil
No. of complaints received for Refund during the year	Nil
No. of complaints received from Stock Exchanges during the year	Nil
No. of complaints received from SEBI during the year	Nil
No. of complaints resolved / replied during the year	Nil
No. of Investors complaints pending at the ending of the year 31.03.2015:	Nil

We confirm that No complaints remained unattended / pending for more than 30 days.

There were no share transfers pending for registration for more than 15 days as on the said date.

(III) Remuneration Committee

In compliance of Section 178 of Companies Act, 2013 the Board has constituted the Remuneration Committee. Your Board has constituted the Remuneration Committee. The terms of reference of the committee inter alia include Succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria's, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

As on March 31, 2015, the Remuneration Committee comprised of the following members & The details of the meetings attended by members during the year 2014-15 are as follows:

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<u>Name of Member</u>	<u>Designation</u>	<u>No. of Meeting held during tenure</u>	<u>No. of meeting attended</u>
1.Mr. Rupesh Upadhyay	Chairman	1	1
2. Mr. SajjanChaudhary	Member	1	1
3.Mr.RipulKotecha	Member	1	1

4. General Body Meetings

Annual General Meeting for the year 2014-15 is scheduled on Wednesday, 30th September, 2015, 12.30 P.M. The meeting will be conducted at the Registered Office of the company 404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

For those of you, who cannot make it to the meeting, please remember that you can appoint a proxy to represent you in a meeting. For this you need to fill in a proxy form enclosed with the notice for the meeting and send it to us. The last date for receipt of proxy forms by us is September 28, 2015 before 11.00 A.M.

Annual General Meeting for Last Three Years:

		(Venue)	
18th Annual Meeting	General	28th September, 2012 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001
19th Annual Meeting	General	30th September, 2013 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001
20 th Annual Meeting	General	30th September, 2014 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

- No special resolution was proposed at the aforesaid annual general meetings.
- No Extra ordinary General Meeting of the Members was held during the year under review.
- No Postal Ballot was conducted during the year 2014-15.

Subsidiary Companies

Company does not have any subsidiary company.

5. Disclosures

The Company has fully complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement and has adopted all suggested items to be included in the Report on Corporate Governance.

(i) Related Party Transaction

There are no materially significant transactions with related parties i.e., promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest. There are no transaction took place with related party which are considered to be not in the normal course of Business.

(ii) Management Discussion and Analysis

The detailed report on Management Discussion & Analysis is given separately in the Annual Report.

(iii) Details of Penalties & Compliance

During the last three years, there were no strictures or penalties imposed on the company either by SEBI, Stock Exchanges or any other authorities related to capital market.

(iv) Whistle Blower Policy

The Company at present does not have a Whistle Blower Policy. However, all the employees of the Company have free access to meet senior level Management personnel and report on any points of concern The Company is in the process of evaluating ways and means for implementation of the other non-mandatory requirements as per Annexure I D of the Clause 49 of the Listing Agreement over a period of time.

(v) Risk Management

The company has laid down the procedures to inform the Board about the risk assessment and minimization. The Board of Directors of the company periodically reviews these procedures to ensure that risks are managed through a properly defined framework.

(vi) Disclosure of accounting treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India

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(ICAI) and Companies (Accounting Standards) Rules, 2006 to the extent applicable.

(vii) CEO/CFO Certificate

Certificate from CEO/CFO for the financial year ended March, 31 2015 has been provided in this Annual Report.

6. Means of Communication

In compliance with the requirements of Listing Agreement, the Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges. Company also displayed quarterly results on the website of the Company and local newspaper.

7. General Shareholders Information

(i) Annual General Meeting

- **Date & Time:** Wednesday, 30th September, 2015 at 12.30 P.M.
Venue: 404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad -380001.
- **Financial Year :** 1st April 2014 to 31st March, 2015

Annual General Meeting for Last Three Years:

		(Venue)	
18th Annual Meeting	General	28th September, 2012 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001
19th Annual Meeting	General	30th September, 2013 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001
20 th Annual Meeting	General	30th September, 2014 At 11.00 am	404-405, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

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(ii) Financial Calendar (Tentative)

- Result for the qtr. ending June 30, 2014: Within 45 days from the end of Quarter
- Result for the qtr. ending Sept 30, 2014: Within 45 days from the end of Quarter
- Result for the qtr. ending Dec 31, 2014: Within 45 days from the end of Quarter
- Result for the qtr. ending Mar 31, 2015: Within 60 days from the end of Quarter

i. Book Closure date :

28th September, 2015 to 30th September, 2015 (both days inclusive)

ii. Dividend :

No dividend being recommended by the Board during the year.

iii. Listing of Equity Shares in Stock Exchanges :

Ahmedabad Stock Exchange Ltd.

i. Market Price Data: High, Low during each month in last financial year.

There were no trading took place in both the stock exchanges during the year under review.

ii. Performance in comparison to broad-based

As there is no trading no comparison with exchange vis a vis stock is possible.

iii. Registrar and Transfer Agents

Name	M/s. MCS Share Transfer Agent Limited.
Address	10, Aaram Apartment, Sampatrao Colony 12, Behind Laxmi Hall, Alkapuri, Vadodara- 390007
Telephone No	09662607291
E Mail Id	mcsltdbaroda@yahoo.com
Website	www.mcsdel.com

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iv. Share Transfer System

All the valid transfers are registered and duly transferred and share certificates duly dispatch within 15 days from the date of receipt of transfer.

v. Distribution of shareholding

	Folios		Shares	
	Numbers	% of Total No.	in Rs.	% to Total amount
0-5000	409	78.05	503900	16.79
5001 TO 10000	42	8.02	353300	11.78
10001-20000	19	3.63	307200	10.24
20001-30000	50	9.54	1323500	44.11
Above 30000	4	0.76	512500	17.08
TOTAL	524	100.00	3000400	100.00

Shareholding Pattern (as at March 31, 2015)		
Category	No. of Shares	Percentage
Promoters	330500	11.02
Indian Public	2669900	88.98
Total	3600000	100.00

vi. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

There is no outstanding GDRs/ADRs/Warrants or any convertible instruments, which likely impact on equity.

vii. Plant Locations

Company is engaged in Finance sector and does not have any plant.

viii. Address for correspondence

404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

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ix. **Dematerialization of shares and liquidity:** The company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialization of shares through Cameo Corporate Services Limited

x. **Registrar & Share Transfer Agents:** M/s MCS Share Transfer Limited

xi Exclusive E-mail Id for redressal of investors complaints in terms of Clause 47(f) of the Listing Agreement, please use the following email for redressal of Investors Complaints.

E-mail ID: natcoecoltd@gmail.com

Website: www.natecoltd.com

Regd. Office:

404, Kalyan Chambers
Nawa Darwaja Road
Khadia Char Rasta,
Ahemdabad-380001

**By Order of the Board
For Natco Economicals Limited**

SD/-

SD/-

**Haresh Patel Rupesh Upadhyay
(Whole Time Director) (Director)**

Date: 13.8.2015

Place: Ahemdabad

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Natco Economicals Limited

1. We have examined the compliance of conditions of Corporate Governance by Natco Economicals Limited for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company

3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as Stipulated in Clause 49 of the above mentioned Listing Agreement.

4. We Further State that such Compliance is neither as assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jayesh B. Patel & Co.
Chartered Accountants**

**SD/-
CA Jayesh Patel
Proprietor
Membership No: 34745**

**Place : Ahmedabad
Date : 13th August, 2015.**

Code of Conduct and CEO/CFO Certification

In accordance with the amended clause 49 of the Listing Agreement, the company has adopted a code of conduct for his directors and senior executives. The details code of conduct is available at company's website at: www.natecoltd.com

Declaration as required under clause 49 of listing agreement:

All Board members and senior management personnel affirm compliance with the code of conduct for the year 2014-15.

SD/-

Haresh Patel

(Whole Time Director)

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them.

Certificate By Chief Executive Officer (Ceo)

I Haresh Patel, Director of Natco Economicals Limited to the best of our knowledge and belief hereby certify that:

(a) I have reviewed the financial statements and the cash flow statement for the year ended 31stMarch, 2015 and that to the best of our knowledge and belief;

- These statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and*
- These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.*

(b) 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 violate the company's code of conduct;

(c) I accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and audit committee, deficiencies in the design or operation on internal controls, if any, of which

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we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and

(d) I have informed the auditors and the audit committee that :

- a. There has not been any significant changes in internal control over financial reporting during the year under reference;*
- b. There has not been any significant changes in accounting policies during the year requiring disclosed in the notes to the financial statements; and*
- c. There has not been any 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.*

Place: Ahemdabad
Date: 13th August, 2015

SD/-
Haresh Patel
(Whole Time Director)

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members,
Natco Economicals Limited
Ahemdabad

We have examined the compliance of conditions of corporate governance by Natco Economicals Limited for the year ended on 31st March, 2015, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that:

- ✓ The company has generally complied with the conditions of corporate governance as stipulated in the above- mentioned listing agreement.
- ✓ We state that no investor grievances are pending for a period exceeding one month against the company as per records maintained by the Share transfer / Investor Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For S BhattBhatt& Co.
Company Secretaries
CS Suhas Bhattbhatt**

Place: Vadodara

Date: 13th August, 2015

**SD/-
Proprietor
C O P No. 10427
Membership No: 11975**

21st Annual Report of Natco Economicals Limited

Form No. MGT-9 Extract of Annual Return

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015

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

I. Registration and Other Details

1	CIN	L65910GJ1994PLC022240
2	Registration Date	10/06/1994
3	Name of the Company	NATCO ECONOMICALS LIMITED
4	Category / Sub-category of the Company	Public limited / Limited By shares
5	Address of the Registered office with Contact Details	404, Kalyan Chamber, Nawa Darwaja Road, Khadia Char Rasta, Ahmedabad-380001 Email Id: www.natcoecolimited@gmail.com
6	Whether Listed Company	Listed
7	Name, Address & Contact Details of Registrar & Share Transfer Agents.	M/s. MCS Share Transfer Agent Limited 10, Aaram Apartment, Sampatrao Colony 12, Behind Laxmi Hall, Alkapuri, Vadodara- 390007 Email: mcsltdbaroda@yahoo.com Website: www.mcsdel.com

II. Principal Activities of the Company

All the business activities Contributing 10% or more of the total turnover of the Company be stated

Sr. No.	Name and Description of Main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Activities of commercial loan companies.	65923	100

III. Particulars of Holding, Subsidiary and Associate Companies

Natco Economicals Limited does not have any Subsidiary or Associate Company

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Companies									
FII's	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Others (specify)	--	--	--	--	--	--	--	--	--
Sub-Total (B) (1):-	0	0	0	0	0	0	0	0	0
2. Non - Institutions									
(a) Bodies Corp.	--	--	--	--	--	--	--	--	--
Indian	--	--	--	--	--	--	--	--	--
Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
Individual Shareholders holding nominal share capital upto Rs.1 Lakh	--	862200	862200	28.74	--	862200	862200	28.74	--
Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	--	1807700	1807700	60.24	--	1807700	1807700	60.24	--
c) others (specify)	--	--	--	--	--	--	--	--	--
Clearing House									
HUF	--	--	--	--	--	--	--	--	--
NRIs	--	--	--	--	--	--	--	--	--
Trusts	----	--	--	--	--	--	--	--	--
Sub-Total (B)(2)	--	2669900	2669900	88.98	--	2669900	2669900	88.98	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	2669900	2669900	88.98	--	2669900	2669900	88.98	--
C. Shares held by Custodian for GDRs * ADRs	--	--	--	--	--	--	--	--	--
Grand Total(A+B+C)	--	3000400	3000400	100	--	3000400	3000400	100	--

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(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
	Natco Synthetics Private Limited	330500	11.02	--	330500	11.02	--	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change) – No Change in Shareholding of Promoters during the Year under Review

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No.		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
1.	JAYENDRA RAMDAS THAKUR	30000	0.9999	30000	0.9999
2.	RAMESH T. DESAI (HUF)	29900	0.9965	29900	0.9965
3.	RAJESHBHAI MANIBHAI PATEL	29900	0.9965	29900	0.9965
4.	ZARNA VIPUL SHAH	29800	0.9932	29800	0.9932
5.	KANUBHAIHIRABHAI PATEL	29500	0.9832	29500	0.9832
6.	VIPUL N. SHAH	29400	0.9799	29400	0.9799
7.	ZARNA VIPUL SHAH	29100	0.9699	29100	0.9699
8.	MANOJBHAI NARENDRABHAI PATEL	29100	0.9699	29100	0.9699
9.	BHAVANA ASHOK RAWAL	29000	0.9665	29000	0.9665
10	PRIYANK A LUNKAD	29000	0.9665	29000	0.9665

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(v) Shareholding of Directors and Key managerial Personnel:

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	No. of Shares	No. of Shares	% of total shares of the company
A	Director				
1.	Haresh Patel	--	--	--	--
B	Key managerial Personnel				
1.	Haresh Patel	--	--	--	--
2.	Meghna Raval	--	--	--	--

A. Indebtedness

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	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	--	--	--	--
Total (i+ii+iii)	--	--	--	--
Change in Indebtedness during the financial year	--	--	--	--
Additions	--	--	--	--
Reduction	--	--	--	--
Net Change	--	--	--	--
Indebtedness at the end of the financial year	--	--	--	--
(i) Principal Amount	--	--	--	--
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--

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B. Remuneration Of Directors And Key Managerial Personnel

A. Remuneration of Managing Director, Whole-Time Director and/or Manager

Sr. no	Particulars of Remuneration	Name of Managing Director/ Whole-time Director / Manager		Total Amount
		Mr. Haresh Patel		
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	2.40 lacs Per Annum lumpsum		2.40 lacs
		--	--	--
		--	--	--
2	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - As % of profit - Others, specify...	No commission was Paid during the year		--
5.	Others, please specify	--	--	--
	Total (A)	2.40 lacs		2.40 lacs
	<i>Ceiling as per Companies Act, 2013</i>	--	--	--

B. Remuneration to other Directors

Sr. no	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ripul Kotecha	Mr. Rupesh Upadhyay	Mr. Sarjukumar Parikh	Mr. Sajjan Chaudhary	
1.	Independent Directors - Fees for attending Board/Committee Meetings - Commission - Others, please specify	Rs 16000	Rs 24000	Rs 16000	Rs 6000	
	Total (1)	Rs 16000	Rs 24000	Rs 16000	Rs 6000	Rs 62000
2..	Other Non-executive Directors - Fees for attending Board and Committee meetings - Commission - Others, please specify					
	Total (2)	--	--	--	--	--
	Total (B) =(1+2)	Rs 16000	Rs 24000	Rs 16000	Rs 6000	Rs 62000
	Total Managerial Remuneration)	Rs 16000	Rs 24000	Rs 16000	Rs 6000	Rs 62000
	<i>Overall Ceiling as per the Companies Act, 2013</i>	--	--	--	--	--

C. Remuneration of Key Managerial Personnel Other Than MD/Manager/Wholetime Director

Sr. no	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Meghna Raval Company Secretary (Appointed w.e.f 20.02.2015)	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Rs 60000 (20000 p.m from appointment) -- --	Rs 60000 -- --
2	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - As % of profit - Others, specify...	-- -- --	-- -- --
5.	Others, please specify		
	Total (A)	Rs 60000	Rs 60000
	Ceiling as per Companies Act, 2013	--	--

Vii. Penalties/Punishment/Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. Directors					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. Other Officers in Default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

1. The Total Salary /Employee Benefits Expense for the year 2014-15 was Rs 4,71,337 out of which Rs2,40,000 was paid to Mr. Haresh Patel , Whole Time Director of the Company, Rs60000 was paid to the Company Secretary of the Company and balance of Rs 171337 was paid to other employees.
2. During the year under review there was no increase in remuneration of any Director /KMP/ Employee of the Company.
3. The total number of employees stood at 4 as on year ended 31st, March 2015.
4. There was no CEO/CFO other than Whole Time Director for the year 2014-15. The Whole Time Director acts as CFO of the Company. The Company Secretary has been appointed w.e.f 20.02.2015.
5. The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31.03.2015

[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,
Natco Economicals Limited
404, Kalyan Chambers,
Nawa Darwaja Road,
Khadia Char Rasta,
Ahemdabad-380001**

I, S D Bhattbhatt., Proprietor of S. Bhattbhatt & Co., a Practicing Company Secretary, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Natco Economicals Limited** [CIN: L65910GJ1994PLC022240] (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 M/s. Natco Economicals Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 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 M/s. Natco Economicals Limited ("the Company") for the financial year ended on 31.03.2015 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;*

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(iii) *The Depositories Act, 1996 and the Regulations and Bye-laws 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; - Not applicable to the Company during the period of audit.*

(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. The Company has not received any disclosure under Regulation 29 and 30.*

(b) *In the absence of adequate information/records, I am unable to report whether the Company has complied with The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. However, the Company has adopted the prescribed code of conduct under the Regulations and the same has been displayed on the website of the Company.*

(c) *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;*

(d) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not applicable to the Company during the period of audit*

(e) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable to the Company during the period of audit*

(f) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable to the Company during the period of audit*

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the Company during the period of audit and*

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable to the Company during the period of audit*

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(vi) As informed to me the following other Laws specifically applicable to the Company as under:

- 1. The Negotiable Instruments Act, 1881*
- 2. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not constituted an internal complaints Committee. However the Company, being certified under Worldwide Responsible Accredited Production (WRAP), has a committee for prevention of sexual harassment of women at work place.*

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

- (i) Secretarial Standards relating to General and Board Meeting Minutes issued by The Institute of Company Secretaries of India.*
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.*

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations noted against each legislation.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

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.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

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I further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity.*
- (ii) Redemption / buy-back of securities*
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013*
- (iv) Merger / amalgamation / reconstruction, etc.*
- (v) Foreign technical collaborations*

Place: Vadodara
Date: 13th August, 2015

for S Bhattbhatt & Co.
Company Secretaries

SD/-
S D Bhattbhatt
(Practicing Company Secretary)
ACS No: A11975
CP No.: 10427

Independent Auditor's Report

To the Members of
Natco Economicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Natco Economicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall 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 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, 2015 and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order 2015 (" the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the 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;*

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- 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;*
- d. *In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;*
- e. *On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;*
- f. *With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:*
 - I. *The Company does not have any pending litigations which would impact its financial position.*
 - II. *The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.*
 - III. *There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.*

Annexure to Auditor's Report

The Annexure referred to in the Auditor's Report to the Member of Natco Economicals Limited on the accounts for the year ended 31st March, 2015, we report that:

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

- 1. The company does not have any fixed assets, hence clause (i) (a) and (b) of the order are not applicable to the company.*
- 2. The company does not have any inventory during the year. Accordingly, the provision of Clause (ii) (a), (b), and (c) of the Order is not applicable to the company.*

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3. The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for sale of goods & services. During the course of our audit, we have not observed any major weaknesses in the internal controls.

5. The Company has not accepted any deposits from the public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made there under.

6. We have been informed that the Central Government has not prescribed for the maintenance of cost records under section 148(l) of the Companies Act, 2013.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us no undisputed amount payable in respect of aforesaid dues were outstanding as at 31st of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, income tax, wealth tax, service tax, Duty of customs and Duty of excise which have not been deposited on account of any disputes.

(c) There were no amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

8. The Company does not have any accumulated loss. The company has not incurred cash loss during the financial year covered by our audit as well as in the immediately preceding financial year.

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not taken any loan from a financial institution, bank and also not issued any debenture.

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10. according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

11. Based on the information explanation given to us by the management, we report that the company has not raised any term loans during the year.

12. according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

**For Jayesh B. Patel & Co.
Chartered Accountants**

**Place :Ahmedabad
Date : 13thAugust, 2015.**

**CA Jayesh Patel
Proprietor
Membership No: 34745**

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Balance sheet for the Year ended on 31st March, 2015

in Rs.

Particulars	Note No	As at 31st March, 2015	As at 31st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	30004000	30004000
(b) Reserves and Surplus	B	396877	186808
(2) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)		12688	10203
(b) Other Long term liabilities			
(3) Current Liabilities			
(a) Other current liabilities	C		
(b) Short-term provisions	D	82500	62297
Total		30496065	30263308
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	E	395119	447658
(ii) Intangible assets			
(b) Non-current investments	F	2458700	2458700
(c) Deferred tax assets (net)			
(d) Long term loans and advances	G	0	0
(2) Current assets			
(a) Cash and Cash Equivalents	H	1072586	1414509
(b) Short-term loans and advances	I	15483570	14988960
(c) Other current assets	J	11086090	10953481
Total		30496065	30263308

Significant Accounting Policies and other explanatory notes and information

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Statement of Profit and Loss for the year ended 31st March, 2014

in Rs.

Particulars	Note No	31st March, 2015	31st March, 2014
I. Revenue from operations	K	2308458	857300
II. Other Income	L	61855	20557
III. Total Revenue (I +II)		2370313	877857
IV. Expenses:			
Employee benefit exp	M	471337	234570
Other expenses	N	1542792	458847
Total Expenses		2014129	693417
V. Profit before Interest, Depreciation and tax		356184	184440
Depreciation		52536	71540
VI. Profit before tax		303648	112900
VII. Tax expense:			
Current tax		91094	33870
Deferred tax		2485	384
VIII. Profit/(Loss) for the year		210069	78646
IX. Earning per equity share:			
Basic & Diluted (Rs.10/- each)		0.070	0.026

Significant Accounting Policies and other explanatory notes and information

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Notes to Balance Sheet As at 31st March

2015

2014

A. Share Capital :

(a) Shares authorized

32,000,000	(31st March 2014:32,00,000) equity shares of Rs.10/- each	32,000,000	32,000,000
		32,000,000	32,000,000

(b) Shares issued, subscribed and fully paid :

30,00,400	(31st March 2014:30,00,400) Equity Shares of Rs.10/- each	30,004,000	30,004,000
		30,004,000	30,004,000

(c) Reconciliation of Shares outstanding at the beginning and at the end of the reporting period :

At the Beginning of the period	30,004,000	30,004,000
Issued during the period	0	
Outstanding at the end of the period	30,004,000	30,004,000

(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;

Equity Shares

The company is having only one class of shares i.e. Equity carrying a nominal value of Rs.10/- per share

Every holder of the equity share of the Company is entitled to one vote per share held

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

21st Annual Report of Natco Economicals Limited

The Company has not declared and paid dividend on the equity shares.

(e) Shares in the company held by each shareholder holding more than 5% shares specifying the number of shares held:

Name	No. of Shares	Percentage	No of Shares	Percentage
Natco Synthetics Private Limited	330500	11.02	330500	11.02

Notes to Balance Sheet As at 31st March	2015	2014
		in Rs.
<u>B. Reserves and Surplus :</u>		
(a) Statutory Reserve		
Balance as per the last financial statements	186808	108162
Add : Transferred from Statement of Profit and Loss	210069	78646
	<u>396877</u>	<u>186808</u>
<u>C. Other current liabilities:</u>		
(a) Other current liabilities	-	-
	<u>-</u>	<u>-</u>
<u>D. Short-term provisions:</u>		
(a) Provision for employee benefits.	82500	62297
Provision for Taxation	-	-
	<u>82500</u>	<u>62297</u>

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E Tangible Fixed assets

<i>Description of Assets</i>	<i>Gross Block</i>			<i>Depreciation & Amortization</i>			<i>Net Block</i>		
	<i>As on 01.04.2014</i>	<i>Add</i>	<i>Del</i>	<i>As on 31.03.2015</i>	<i>Dep as on 01.04.2014</i>	<i>Add</i>	<i>Dep as on 31.03.2015</i>	<i>WDV as on 31.03.2015</i>	<i>WDV as on 31.03.2014</i>
Building	385000			385000	71415	15679	87094	297906	313585
Computer	371520			371520	315992	22211	338203	33317	55528
Furniture & Fixture	151520			151520	95689	10105	105794	45726	55831
Electric Installation	55450			55450	32738	4542	37280	18170	22712
Grand Total	963490			963490	515834	52537	568371	395119	447656

F Non-current Investment

Quoted Shares 2011523(Previous Year)	2011523
Non Quoted Shares 447177 (Previous Year)	447177

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Notes to Balance Sheet As at 31st March

2015

2014

G. Long-term loans and advances : (Unsecured, considered good)

(a) Long-term loans and advances

0

0

0

0

H. Cash and Cash Equivalents:

(a) Cash & Bank balance

1072586

1414509

1072586

1414509

I. Short-term loans and advances (Unsecured, considered good)

(a) Short term loans

15483570

14988960

15483570

14988960

J. Other current assets:

(a) Other

11086090

10953481

11086090

10953481

Total Loans & Advances

(a) Short term loans & advances

15483570

14988960

(b) Long term loans & advances

0

0

15483570

14988960

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**Notes to Financial Statement for the year ended 31st
March**

	<u>2015</u>	<u>2014</u>
<u>K. Revenue from :</u>		
A Interest	2308458	857300
	<hr/>	<hr/>
	2308458	857300
	<hr/>	<hr/>
<u>L. Other Income :</u>		
Other Income	61855	20557
	<hr/>	<hr/>
	61855	20557
	<hr/>	<hr/>
<u>M. Employee's Benefit Expenses:</u>		
Salaries and Benefits	471337	234570
	<hr/>	<hr/>
	471337	234570
	<hr/>	<hr/>
<u>N. Other Expenses</u>		
Legal fees	24450	5785
Admin Expenses	945690	445690
Liasoning Expenses	7986	5260
Bank & Other Charges	2866	2112
BSE Listing App Fees	561800	0
	<hr/>	<hr/>
	1542792	458847
	<hr/>	<hr/>

NOTE – 1 SIGNIFICANT ACCOUNTING POLICIES

a) System of Accounting:

- i) The books of accounts are maintained on mercantile basis except where otherwise stated.
- ii) The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and as per the relevant representational requirements of the Companies Act, 2013.
- iii) Accounting policies not specifically referred to are consistent with generally accepted accounting practices, except where otherwise stated.

b) Revenue Recognition:

- i) 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.
- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized when right to receive is established.
- iv) Profit / Loss on sale of investments is accounted on the trade dates.

c) Investment:

Investments are classified into noncurrent investments and current investments. Noncurrent investments are stated at cost and provisions have been made wherever required to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

d) Retirement Benefits:

- i) Leave encashment benefits are charged to Profit & Loss account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave.

ii) No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of service and the liability for the same will be provided when it becomes due.

e) Inventories

Inventories are valued at cost (using FIFO method) or net realizable value, whichever is lower.

f) Impairment of Assets:

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.

g) Earnings Per Share

i) Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

h) Provisions,

Contingent Liabilities and Contingent Assets Provisions are recognized when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent liability is disclosed for: i) Possible obligations which will be confirmed by future events not wholly within the control of the company, or ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

i) Accounting for Taxes on Income

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred Tax is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

j) Contingent Liability

- a) Claims against the company not acknowledged as debts Nil Previous Year Nil
- b) Guarantees to Banks and Financial institutions against credit facilities extended to third parties Nil Previous Year Nil
- c) Other money for which the company is contingently liable Nil Previous Year Nil

Commitments:

- i) Uncalled liability on partly paid up shares- Nil Previous Year (Nil)
 - ii) Estimated amount of contracts remaining to be executed on capital accounts- NIL Previous Year (Nil)
 - iii) Other Commitments Nil Previous Year Nil
1. In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate.
 2. In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
 3. During the financial year 2014-15 the company has made an investment of Rs NIL
 4. CIF value of Imports – NIL Previous Year (NIL)
 5. Earning & Expenditure in Foreign Currency: NIL Previous Year (NIL)
 6. Payments to Auditor's : Rs 20090/- Previous year Rs. 20090/-
 7. Director's remuneration: NIL Rs. NIL

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8. AS per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

Sr No.	Particulars	Current year 2014-15	Previous Year 2013-14
1	Net Profit (loss) as per P/L A/c	210069	78646
2	Average No. of equity shares used as denominator for calculating EPS	3000400	3000400
3	EPS (Basic & Diluted) (Rs.)	0.070	0.026
4	Face value of each equity share (Rs.)	10	10

9. **Related Party Disclosure:** As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are NIL
10. As per information available with the company, no amount is due to any undertaking/Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.
11. Since the Company is dealing in one segment, No separate Segment reporting is given.
12. The figures of the previous years have been regrouped and rearranged wherever it considered necessary.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Natco Economicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Natco Economicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall 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 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, 2015 and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditor's Report) Order 2015 (" the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. As required by section 143(3) of the Act, we report that:
 - g. 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;
 - h. 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;
 - i. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - j. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - k. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is

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disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

- I. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

Annexure to Auditor's Report

The Annexure referred to in the Auditor's Report to the Member of Natco Economicals Limited on the accounts for the year ended 31st March, 2015, we report that:

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

1. The company does not have any fixed assets, hence clause (i) (a) and (b) of the order are not applicable to the company.
2. The company does not have any inventory during the year. Accordingly, the provision of Clause (ii) (a), (b), and (c) of the Order is not applicable to the company.
3. The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for sale of goods & services. During the course of our audit, we have not observed any major weaknesses in the internal controls.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made there under.
6. We have been informed that the Central Government has not prescribed for the maintenance of cost records under section 148(l) of the Companies Act, 2013.

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7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us no undisputed amount payable in respect of aforesaid dues were outstanding as at 31st of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales Tax, income tax, wealth tax, service tax, Duty of customs and Duty of excise which have not been deposited on account of any disputes.

(c) There were no amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

8. The Company does not have any accumulated loss. The company has not incurred cash loss during the financial year covered by our audit as well as in the immediately preceding financial year.

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not taken any loan from a financial institution, bank and also not issued any debenture.

10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

11. Based on the information explanation given to us by the management, we report that the company has not raised any term loans during the year.

12. According to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

**For Jayesh B. Patel & Co.
Chartered Accountants**

SD/-
CA Jayesh Patel (Proprietor)
Membership No: 34745

Date: 13.08.2015
Place: Ahemdabad

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Natco Economicals Limited
Cash Flow Statement for the Year Ended March 31, 2015

Statement of Cash Flow :	2014-15	2013-2014
(A) : CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit after taxation and extraordinary items	210069	78646
Adjustment for :		
Depreciation	52537	71540
Interest Expenses	-	-
Profit on sale of Fixed Assets	-	-
Provision for Taxation Written back	-	-
Interest Income	(2308458)	(857300)
Operating Profit before Working Capital changes	(2045852)	(707114)
Movement in Working Capital		
(Increase) / Decrease in Loans & Advances	(494610)	200000
(Increase) / Decrease in Other Current Assets	(132609)	79758
(Increase) / Decrease in Trade Receivable	-	-
Increase / (Decrease) in Trade Payables	-	-
Increase / (Decrease) in Current Liabilities & Provisions	20205	21000
(Increase) / Decrease in Inventories	-	-
(Increase) / Decrease in Deferred tax liability	2485	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	(2650381)	(406356)
(B) : CASH FLOW FROM INVESTING ACTIVITIES :		
(Increase) / Decrease in Investments	-	-
Interest Income	2308458	857300
Addition / Purchase of Fixed Assets	-	(20000)
Sale proceeds of Fixed Assets	-	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	2308458	837300
(C) : CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Expenses	-	-
Proposed Dividend	-	-
Issue of Share capital	-	-
Increase / (Decrease) in borrowings	-	-
NET CASH INVESTED IN FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(341923)	430945
Opening Cash and cash equivalent	1414509	983564
Closing Cash and cash equivalent	1072586	1414509

For Jayesh B. Patel & Co.
Chartered Accountants

For Natco Economicals Limited

SD/-
CA Jayesh Patel (Proprietor)
Membership No: 34745
Place: Ahemdabad
Date: 13th August, 2015

SD/-
Haresh Patel
(Whole Time Director)

SD/-
Rupesh Upadhyay
(Director)

21st Annual Report of Natco Economicals Limited

Natco Economicals Limited
CIN: L65910GJ1994PLC022240

Registered Office: 404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

Attendance Slip of 21st Annual General Meeting

Day & Date

Date: 30th September, 2015

Day: Wednesday

Venue of AGM

404, Kalyan Chambers

Nawa Darwaja Road,

Khadia Char Rasta

Ahemdabad-380001

Time: 12.30 P.M

Name & Address of Member :

DP ID No. & Client ID No. :

Registered Folio No. :

No. Of shares held :

I certify that I am a member/proxy for the member holding _____ Shares.

Please Tick against the appropriate box:

Member

Proxy

Name of Proxy in Block Letters
attending meeting.

Signature of Member/Proxy

Note:

1) Member/Proxy attending AGM must bring his/her Admission Slip which would be duly signed and deposited at entrance and also bring their Photo ID Proofs for attending the meeting)

2) Duplicate Admission Slip will not be issued at the Venue

3) Authorized Representatives of Corporate members shall produce proper authorization issued in their favour

Voting By Electronic Means

In terms of Section 108 of the Companies Act, 2013 read with rule 20 of Companies (Management and Administration) Rules, 2014, the Resolutions proposed at the 21st AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) Your remote e-voting User Id and Password are provided below:

Electronic Voting Event number(EVEN) of Natco Economicals Limited	User ID	Password
103387		

21st Annual Report of Natco Economicals Limited

Form No. MGT-11

Natco Economicals Limited

CIN: L65910GJ1994PLC022240

Registered Office: 404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad-380001

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s):

Registered Address:

Email Id:

Folio No. / Client Id:

DP ID:

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

1. Name: _____,

Address _____ Email _____

ID _____ Signature _____ or failing him

2. Name: _____,

Address _____ Email _____

ID _____ Signature _____ or failing him

3. Name: _____,

Address _____ Email _____

ID _____ Signature _____ or failing him

as my/our proxy to attend and vote on a poll for me/us and on my/our

Behalf at the 21st Annual General Meeting of the Company, to be held on the 30th September, 2015 at 12.30.P.M at 404, Kalyan Chambers, Nawa Darwaja Road, Khadia Char Rasta, Ahemdabad- 380001 and at any adjournment thereof in respect of the following resolutions as are indicated below:

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Sr. No	Particulars	Tick appropriately
	Ordinary Business	
1.	<i>Adoption of Financial Statement for the year ended 31st march, 2015</i>	<i>For/ Against</i>
2.	<i>Re-appointment of Mr. Rupesh Upadhyay , who retires by rotation</i>	<i>For/ Against</i>
3.	<i>Re-Appointment of M/s. Jayesh Patel & Co., Chartered Accountants as Independent Auditors and fixing their remuneration</i>	<i>For/ Against</i>
	Special Business	
4.	<i>Appointment of Miss Dhvani Hareshbhai Contractor as Independent Women Director (W.e.f 30.03.2015)</i>	<i>For/ Against</i>
5.	<i>Appointment of Mr. Bhadreshkumar Jagdish Bhavsar as Independent Women Director (W.e.f 30.03.2015)</i>	<i>For/ Against</i>

Signed this ___ day of ___ 2015

Signature of shareholder

Affix the Revenue Stamp here

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed , not less than 48 hours before the time for holding the meeting. For the Resolutions, explanatory statement and notes please refer to the Notice of the 21stAnnual General Meeting.