

Head Office : Nilkamal House, 77/78, Road No. 13/14, M.I.D.C., Andheri (East), Mumbai - 400 093, INDIA. Tel. : (91-22) 2681 8888 / 2836 1366

Material Handling Division : Fax : (91-22) 2836 1923 / 2836 7891 ● E-mail : info@nilkamal.com


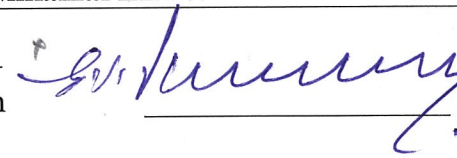



Furniture Division : Fax : (91-22) 2835 3556 ● E-mail : furniture@nilkamal.com ● Visit us at : www.nilkamal.com

@home Division : Fax : (91-22) 2837 2787 ● E-mail : connect@at-home.co.in ● Visit us at : www.at-home.co.in

Date: 14th May, 2016

FORM A (for audit report with unmodified opinion)

Sr. No.	Particulars	Compliance Observation
1.	Name of the Company :	NILKAMAL LIMITED
2.	Annual Consolidated Financial Statements for the year ended :	31 st March, 2016
3.	Type of Audit Observation :	Un-modified
4.	Frequency of Observation :	Not applicable
5.	Signed By	

		For Nilkamal Limited
<p>1. For BSR & Co. LLP— Mr. Sadashiv Shetty (Partner) M. No. 048648</p> 		<p>1. Managing Director – Mr. Sharad V. Parekh</p> 
		<p>2. Chief Financial Officer— Mr. Paresh B. Mehta</p> 
<p>2. For Vora & Associates – Mr. Bharat B. Chovatia (Partner) M. No. 031756</p> 		<p>3. Audit Committee Chairman – Mr. K.R. Ramamoorthy</p> 

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DATE : 14 MAY 2016

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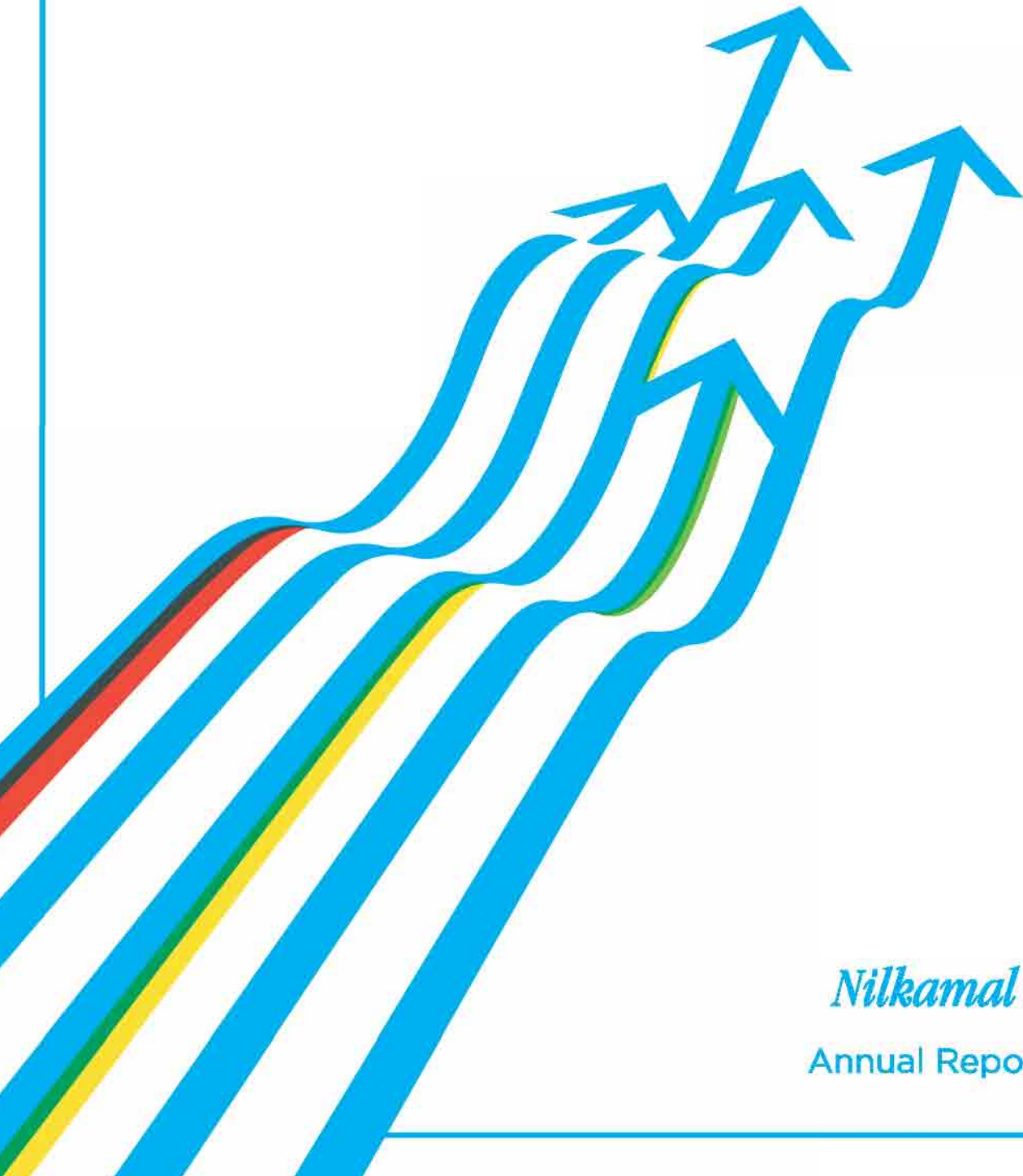
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		For Nilkamal Limited	
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2. For Vora & Associates – Mr. Bharat B. Chovatia (Partner) M. No. 031756		2. Chief Financial Officer – Mr. Paresh B. Mehta	
		3. Audit Committee Chairman – Mr. K.R. Ramamoorthy	



Accomplishment will prove
to be a journey, not a destination.



Nilkamal Limited
Annual Report 2015-16



Board of Directors

Mr. Vamanrai V. Parekh	- Chairman
Mr. Sharad V. Parekh	- Managing Director
Mr. Hiten V. Parekh	- Joint Managing Director
Mr. Manish V. Parekh	- President and Executive Director
Mr. Nayan S. Parekh	- President and Executive Director
Mr. Mahendra V. Doshi	- Director
Mr. K. R. Ramamoorthy	- Director
Mr. Dadi B. Engineer (ceased to be Director w.e.f. May 30, 2016 due to demise)	- Director
Mr. Mufazzal S. Federal	- Director
Mr. S. K. Palekar	- Director
Ms. Hiroo Mirchandani	- Director

Chief Financial Officer

Mr. Paresh B. Mehta

Company Secretary

Ms. Priti P. Dave

Bankers

- State Bank of India • Corporation Bank
- IDBI Bank Limited • DBS Bank Limited

Auditors

M/s. B S R & Co. LLP

M/s. Vora & Associates

Barjora Factory

Plot No. 1498/2613, WBIDC Industrial Complex, Barjora Mejia Road,
P. O. & P. S. Barjora, District: Bankura, Pincode – 722 202, West Bengal.

Hosur Factory

Part of Survey No. 149, 151 to 153, 155/9, 226/1C, 227 and 299/1,
Next to GNB Factory, Nallaganakothapalli Village, Koneripalli Post,
Shoolagiri Taluk (Hosur), Krishnagiri District-635 117, Tamilnadu.

Hooghly Factory

Dayanidhan Compound, Godown No- 1A & 2, Delhi High Road,
Dankuni, Village: Monoharpur, J. L. No. 98,
Touzi No. 17, Police Station - Chanditala,
District - Hooghly – 712 311, West Bengal.

Jammu Factory

Phase – II, Industrial Growth Centre, Samba – 184 121,
Jammu & Kashmir.

Kharadpada Factory

Survey No. 389, 391, 393, 396 & 401,
Naroli – Kharadpada Road,
Village: Kharadpada, Silvassa -396 230,
Union Territory of Dadra & Nagar Haveli.

Noida Factory

Plot No.26, B&C Sector No.31, Surajpur – Kasna Road,
Behind HPCL Gas Plant, Gautam Budha Nagar,
Greater Noida – 201 310, Uttar Pradesh.

Puducherry Factory

19/3-5, 18/1-B & 21/6, Olaivaikkal Village,
Villianoor-Pathukannu Road,
Villianoor Taluk – 605 502, Puducherry.

Sinnar Factory

STICE, Plot No.971/1A, Sinnar Shirdi Road, Musalgaon,
Sinnar - 422 103, District - Nashik, Maharashtra.

Registered Office and Vasona Factory

Survey No.354/2 and 354/3, Near Rakholi Bridge,
Silvassa Khanvel Road, Vasona, Silvassa 396 230,
Union Territory of Dadra and Nagar Haveli.

Corporate Office

Nilkamal House, 77/78, Road No.13/14, MIDC,
Andheri (E), Mumbai – 400 093, Maharashtra.

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NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of NILKAMAL LIMITED will be held at the Registered Office of the Company at Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli, on Thursday, August 11, 2016 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Hiten V. Parekh (DIN: 00037550), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the recommendations of the Audit Committee and pursuant to the resolution passed by the members at the Twenty Eighth Annual General Meeting held on September 6, 2014, the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No. 101248W/ W-100022) and M/s. Vora and Associates, Chartered Accountants (ICAI Registration No. 111612W) as the Joint Statutory Auditors of the Company to hold office till the conclusion of the Thirty Second and Thirty First Annual General Meeting of the Company, respectively, be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration plus applicable service tax and reimbursement of out of pocket expenses payable to them for the financial year ended March 31, 2017 as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder as amended from time to time, M/s. B. F. Modi and Associates, Cost Accountants (Firm Registration No. 6955) appointed by the Board of Directors as Cost Auditors of the Company for the financial year 2016-2017 to conduct audit of cost records of the Company at remuneration of ₹ 3.00 Lacs (Rupees Three Lacs Only) plus service tax and reimbursement of out of pocket expenses at actual, be and is hereby ratified and confirmed.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Hiten V. Parekh (DIN: 00037550) who was earlier designated as Executive Director of the Company be and is hereby re-designated as the ‘Joint Managing Director’ of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Manish V. Parekh (DIN: 00037724) who was earlier designated as Executive Director of the Company be and is hereby re-designated as the ‘President and Executive Director (Furniture)’ of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Nayan S. Parekh (DIN: 00037597) who was earlier designated as Executive

Director of the Company be and is hereby re-designated as the 'President and Executive Director (Material Handling)' of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the Special Businesses at Item Nos. 4 to 7 above is annexed hereto and forms a part of the Notice.
2. The relevant details of persons seeking re-appointment as Director under Item No. 2 of the Notice, as required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
5. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFS code) with their Depository Participant. Members holding shares in physical form are requested to provide the above details, along with their Folio Number, to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
6. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS, mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, alongwith the request for merging of folio etc., to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
7. For the purpose of availing Nomination facility, members holding shares in dematerialised form are required to lodge the nomination with their Depository Participant and members holding shares in physical form are required to fill and submit Form SH-13 (available on request) with the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited, for assistance in this regard.
9. Members, wishing to claim dividends, which remain unclaimed for the financial years 2009-2010 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B. S. Marg, Bhandup (W), Mumbai 400078. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund, no claim shall lie in respect thereof.
10. Any request for revalidation of dividend warrant(s) by any member of the Company may be directed to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
11. The Notice of the 30th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
12. The Annual Report 2015-2016 of the Company, circulated to the members of the Company, is also available on the Company's website at www.nilkamal.com and on the website of the stock exchanges where the shares of the Company are listed viz. BSE Limited – www.bseindia.com and National Stock Exchange of India Limited – www.nseindia.com.

13. Members desiring any information as regards the Accounts are requested to write to the Company atleast 10 days prior to the date of meeting so as to enable the Management to keep the information ready.
14. Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the Meeting. Members holding equity shares in electronic form, and proxies thereof, are requested to bring their DP ID and client ID for identification.
15. The route map showing directions to reach the venue of the Thirtieth AGM is annexed.
16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Thirtieth Annual General Meeting (AGM) by electronic means through remote e-voting platform provided by Central Depository Services Limited (CDSL). The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on August 8, 2016 at 10.00 am and ends on August 10, 2016 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 4, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "Nilkamal Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after June 30, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) **General Instructions:**
- a) A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
 - b) The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically by remote e-voting may only cast their vote at the AGM through ballot paper.
 - c) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. August 4, 2016. 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 i.e. August 4, 2016, only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
 - d) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date of August 4, 2016, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if the member is already registered with CDSL for remote e-voting then the member can use their existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot Password" option available on www.evotingindia.com.
 - e) Mr. Pratik M. Shah, Practicing Company Secretary (Membership No. FCS 7431), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - f) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
 - g) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.
 - h) The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.nilkamal.com and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the Stock Exchanges.

**By order of the Board
For Nilkamal Limited**

**Priti P. Dave
Company Secretary**

Place: Mumbai
Date: May 14, 2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. B. F. Modi and Associates to conduct the audit of the Cost Records of the Company for the financial year 2016-2017. In terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

Item Nos. 5 to 7

At the Twenty Ninth Annual General Meeting of the Company held on August 4, 2015, the members had re-appointed Mr. Hiten V. Parekh, Mr. Manish V. Parekh and Mr. Nayan S. Parekh as the Executive Directors of the Company for a period of five years with effect from April 1, 2015 and had also approved the terms and conditions of their appointment, including the remuneration payable to the said Executive Directors.

With a view of overseeing the succession planning of the top management personnel in the Company and considering the fact that the Executive Directors have been independently managing the critical business functions of the various business verticals of the Company and they have been in the current position for over two decades, it is considered desirable to recognize their role by appropriately re-designating them. The Company aims to deepen the focus in each of these verticals as well as drive synergies between them using the enriched experience of the said Executive Directors. Furthermore, this would also ensure that their designation appropriately reflects their top management role and responsibilities to the stakeholders at large.

Hence, in view of the same and based upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on November 2, 2015, approved the re-designation of the said Executive Directors for the remaining tenure of their respective appointment on the same terms and conditions including remuneration as approved earlier by the Members:

Mr. Hiten V. Parekh

Mr. Hiten V. Parekh – Executive Director, is associated with the Company since inception and in his early tenure was involved across all business functions of the Company, thereby gaining a through insight of the business. He is also to be credited for setting up the Company's manufacturing subsidiary at Sri Lanka. He looks after the functions of various factories of the Company and has also been instrumental in launching the Company's retail business under the brand name '@home' as well as the mattress business of the Company. He exercises constant vigil on quality control of the Company's products, which has enabled the Company to successfully obtain numerous quality standards certifications and awards. This has enabled the Company to uphold its status as a quality market leader in the industry and thus making the name of 'Nilkamal' synonymous with trust and quality in the minds of the customers.

In view of the same, it is proposed to elevate Mr. Hiten V. Parekh from the current designation of Executive Director to Joint Managing Director.

Mr. Hiten V. Parekh is interested in the resolution set out at Item No. 5 of the Notice. Mr. Manish V. Parekh – President and Executive Director and Mr. Vamanrai V. Parekh - Chairman, being related to Mr. Hiten V. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Hiten V. Parekh may be deemed to be interested in the resolution set out at Item No. 5 of the Notice to the extent of their shareholding interest, if any, in the Company.

Mr. Manish V. Parekh

Mr. Manish V. Parekh - the Executive Director of the Company is associated with the Company for around two decades. He oversees the moulded furniture business of the Company and is the pillar behind the enormous dealer network, which is beyond the reach of other players in the market and has resulted in the Company becoming a market leader in the country and the largest producer of moulded plastic furniture in the world. He contributed in building Nilkamal brand and making it generic amongst the households in India and Sri Lanka. He is also instrumental in launching the @home business of the Company, and building '@home' as a brand thus making the said business a prominent player in the organized retail sector. Further, he was successful in setting up an online portal for '@home' business of the Company.

In view of the same, it is proposed to re-designate Mr. Manish V. Parekh from the current designation of Executive Director to President and Executive Director (Furniture).

Mr. Manish V. Parekh is interested in the resolution set out at Item No. 6 of the Notice. Mr. Hiten V. Parekh – Joint Managing Director and Mr. Vamanrai V. Parekh - Chairman, being related to Mr. Manish V. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Manish V. Parekh may be deemed to be interested in the resolution set out at Item No. 6 of the Notice to the extent of their shareholding interest, if any, in the Company.

Mr. Nayan S. Parekh

Mr. Nayan S. Parekh - the Executive Director of the Company, is also associated with the Company for around two decades. He heads the Material Handling Business of the Company and is also responsible for looking into the operations of various factories of the Company. His constant endeavor towards innovation, designing and providing material handling solutions comparable to international standards has made Nilkamal a 'One Stop Material Handling Shop' for all industries. He has been instrumental in setting up two foreign Joint Ventures of the Company and also for setting up Company's profitable subsidiary viz NCB-FZE at Ajman, which is a free trade zone.

In view of the same, it is proposed to re-designate Mr. Nayan S. Parekh from the current designation of Executive Director to President and Executive Director (Material Handling).

Mr. Nayan S. Parekh is interested in the resolution set out at Item No. 7 of the Notice. Mr. Sharad V. Parekh – Managing Director, being related to Mr. Nayan S. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Nayan S. Parekh may be deemed to be interested in the resolution set out at Item No. 7 of the Notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel or their relatives are interested or concerned in the aforesaid resolutions set out at Item Nos. 5 to 7 of the Notice.

Though the members consent is not required for the above re-designation, however, as a good corporate governance practice, the Board recommends the resolution set forth in Item Nos. 5 to 7 for the approval of the members.

**By order of the Board
For Nilkamal Limited**

**Priti P. Dave
Company Secretary**

Place: Mumbai

Date: May 14, 2016

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING
(Pursuant to Regulation 36 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Mr. Hiten V. Parekh

Director Identification Number (DIN)	:	00037550
Date of joining the board	:	December 9, 1985
Brief resume of the Director including nature of expertise in specific functional areas	:	<p>Mr. Hiten V. Parekh, aged 52 years, holds a bachelor's degree in Commerce from Mumbai University and a Diploma in Quality Systems and Management. He is associated with the Company since incorporation and has over 30 years of rich experience in the manufacturing sector. He overlooks the functions of several of its factories located across the country and acts as checkpoint for quality control and assurance of the Company's products, which has enabled the Company to uphold its status as a quality market leader in the industry and has also helped to gain several awards to the Company. He is one amongst the first few persons in the plastics processing industry to extend the Company's business out of India and took a step forward by setting up business at Sri Lanka.</p> <p>He is also instrumental in launching the Company's retail business of lifestyle furniture, furnishing and accessories under the brand name '@home' and the Company's foray into mattress business under the brand name 'Nilkamal Mattrezzz'.</p>
Relationship of Directors inter-se	:	Mr. Hiten V. Parekh is the son of Mr. Vamanrai V. Parekh and brother of Mr. Manish V. Parekh.
Number of shares held in the Company	:	1,209,962
Directorships and Committee memberships held in other companies*	:	None

*Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.

DIRECTORS' REPORT
REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS
FOR THE YEAR ENDED MARCH 31, 2016.

Dear Members,

Your Directors are pleased to present the **30th Annual Report** and the Audited Statement of Accounts for the financial year ended March 31, 2016.

FINANCIAL PERFORMANCE:

The financial performance of the Company for the financial year ended March 31, 2016 is summarised below:-

(₹ in Lacs)

	2015-2016	2014-2015
Gross Turnover and Other Income	201,296	191,896
Net Turnover and Other Income	187,946	179,291
Profit before Depreciation and Tax	20,592	11,427
Less: Depreciation on Fixed Assets	5,263	5,376
Profit before Tax	15,329	6,051
Less: Provision for Taxes	4,940	1,805
Profit after Tax	10,389	4,246
Amount Available for Appropriations	30,596	21,870
Less: Appropriations:		
i) Interim Dividend	1,045	-
ii) Proposed Final Dividend	-	672
iii) Total Tax on Dividend	96	101
iv) Transfer to General Reserves	5,000	890
Leaving a Balance to be carried forward	24,455	20,207
Earnings Per Share (₹)	70	28
Cash Earnings Per Share (₹)	105	64
Book Value per Share (₹)	392	330

YEAR IN RETROSPECT

During the financial year 2015-2016, your Company has recorded a gross turnover of ₹ 200,376 lacs up from ₹ 191,271 lacs of the previous financial year. Profit before Tax was up by 153% from ₹ 6,051 lacs to ₹ 15,329 lacs due to softening of the raw material prices alongwith the improved operational efficiencies. Consequently the earnings per share also went up from ₹ 28 to ₹ 70. The plastic business has achieved a volume growth of 3% and value growth of 5%.

The performance of the Company's retail business operated under the brand name '@home' had witnessed an upturn, achieving turnover of ₹ 23,805 lacs, which was up by 9% vis-à-vis ₹ 21,750 lacs of the previous financial year. The Company's 16 @home stores are spread PAN India in 12 cities.

RESERVES

Your Directors proposes to carry a sum of ₹ 5,000 lacs to the General Reserve Account out of the profits available.

DIVIDEND

During the year under review, your Company had declared interim dividend twice, the first interim dividend of ₹ 2.50 i.e. 25% on November 5, 2015 and the second interim dividend of ₹ 4.50 i.e. 45% on March 14, 2016, thus aggregating to ₹ 7.00 i.e. 70% for the financial year 2015-2016. Considering the aforesaid interim dividends, the Company has not recommended any final dividend for the financial year 2015-2016 on the equity shares of the Company.

The total outflow on account of the interim dividends (including distribution tax, surcharge and education cess) amounts to ₹ 1,141 lacs for the financial year 2015-2016.

AWARDS AND RECOGNITIONS

Your Company constantly strives towards reducing carbon foot prints, energy conservation and preserving the environment by adopting right practices for saving the scarce resources. In recognition of the same, all the Company's units have been awarded the ISO 50001:2011 EnMS Certifications form TUV-SUD Germany.

Further, with its drive to obtain Quality Management and Energy Efficiency, your Company has achieved the First prize under the National Award for Energy Conservation from BEE-Government of India for its Hosur Unit. Furthermore, the Company has also received Sustainability 4.0 Believer's certificate from "Frost and Sullivans" for its Vasona Plant, which certifies that the Company's business is sustainable.

The Company also believes in giving value products to its customers and places customer satisfaction at the apex. In furtherance and recognition of this principle, the Company has been awarded the "BIFMA Compliance certification" by the UK Certification and Inspection Limited for its Home, Office, Educational and Modular Furniture range. This certification assures well established QMS practices and well documented test and procedures.

LISTING AGREEMENTS

Your Company has executed fresh Listing Agreements with BSE Limited and National Stock Exchange of India Limited, in compliance with Regulation 109 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of the provisions of Section 135 of the Companies Act, 2013 read with the CSR Rules, the Board of Directors of your Company has adopted a CSR Policy and the same is available on its website and can be accessed at <http://www.nilkamal.com/Images/fckUploadedfiles/file/CSR%20POLICY.pdf>.

Further, in accordance with the Company's CSR Policy, the Board of Directors of your Company has contributed and utilized ₹ 199.07 lacs towards Corporate Social Responsibility activities. The Company has expended the said sum, amongst other activities, towards promoting education, providing health care and sanitation facilities and environmental sustainability.

The Annual Report on CSR activities is annexed herewith as "Annexure A".

Further, the Company is also in the process of incorporating a Company under Section 8 of the Companies Act, 2013 namely 'Nilkamal Foundation'. Your Company shall, in addition to making direct expenditure towards CSR activities, shall also contribute to Nilkamal Foundation for carrying out the said activities.

MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

BUSINESS RESPONSIBILITY REPORT

Your Company has prepared the Business Responsibility Report (BRR) that describes the initiatives undertaken in line with the key principles enunciated in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' framed by the Ministry of Corporate Affairs. As a Green Initiative, the said BRR has been hosted on your Company's website www.nilkamal.com.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate section on corporate governance practices followed by the Company, together with a certificate from the auditors confirming its compliance, forms a part of this Annual Report, as per SEBI Regulations. Further, as per Regulation 34 read with Schedule V of the Listing Regulations, a Management Discussion and Analysis report is annexed to this report.

SUBSIDIARIES AND JOINT VENTURES

As on date, your Company has two direct subsidiaries: Nilkamal Eswaran Plastics Private Limited at Sri Lanka; Nilkamal Crates and Bins – FZE at UAE and one step-down subsidiary: Nilkamal Eswaran Marketing Private Limited at Sri Lanka; and two Joint Venture Companies: Nilkamal Bito Storage Systems Private Limited, which is the Indo-German Joint Venture and Cambro Nilkamal Private Limited, which is the Indo-US Joint Venture. There has been no material change in the nature of business of the said Companies and the said Companies have shown continued profitability during the financial year 2015-16.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.nilkamal.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.nilkamal.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any Loans or Guarantees nor has it made any Investments covered under the provisions of Section 186 of the Companies Act, 2013.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees, alongwith the criteria for appointment and removal of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee is fully empowered to determine /approve and revise, subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past

performance and past remuneration, etc. The details of the remuneration policy are available on the website of the Company www.nilkamal.com. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. B S R & Co. LLP, having ICAI Registration No. 101248W/ W-100022 and M/s. Vora & Associates having ICAI Registration No. 111612W were appointed as the Company's Joint Statutory Auditors at the 28th Annual General Meeting to hold office for a period of four years and three years respectively, subject to the ratification by the shareholders at every subsequent Annual General Meeting.

Both, M/s. B S R & Co. LLP and M/s. Vora & Associates, being eligible have expressed their willingness to such re-appointment as the Joint Statutory Auditors. A certificate from them has been received to the effect that their appointment as Statutory Auditors if made would be in accordance to the provisions of Sections 139 and 141 of the Companies Act, 2013 and rules framed thereunder.

A resolution seeking ratification of their appointment forms a part of the Notice convening the 30th Annual General Meeting and the same is recommended for your consideration and approval.

The notes to accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

COST AUDITOR

In conformity with the provisions of Section 148 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. B. F. Modi and Associates, Cost Accountants, as the Cost Auditors to carry out audit of the cost records of the Company for the financial year 2016-2017.

Mr. B. F. Modi being eligible has expressed his willingness to be reappointed as Cost Auditors of the Company for the financial year 2016-2017.

The Cost Audit Report for the financial year ended March 31, 2015 was filed in due time with the Central Government (Ministry of Corporate Affairs).

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed Mr. Pratik M. Shah, Practising Company Secretary to undertake the Secretarial Audit for the financial year 2015-2016. The Report of the Secretarial Auditor is annexed herewith as "Annexure B".

EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT 9 is annexed herewith as "Annexure C".

DIRECTORS

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the Listing Regulations.

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. Hiten V. Parekh (DIN: 00037550), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-election.

During the year under review, with a view of overseeing the succession planning of the top management personnel, your Company had re-designated its Executive Directors. The resolutions for their respective re-designations forms a part of the Notice convening the 30th Annual General Meeting and the same is recommended for your consideration and approval.

Further, all Independent Directors have given declarations that they meet the criteria of independence as given under Section 149 of the Companies Act, 2013 and the relevant provisions of the Listing Regulations.

The required information of the Directors to be re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- (c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the financial year 2015-2016 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and joint venture companies as approved by their respective Boards of Directors.

ADEQUACY OF RISK MANAGEMENT SYSTEMS

The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy (WBP) to deal with instance of fraud and mismanagement, if any. The details of the WBP is explained in the Corporate Governance Report and also posted on the website of the Company.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

An Internal Complaints Committee has been constituted by the Company in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment.

RELATED PARTY TRANSACTIONS

The Board of Directors has adopted a Policy on materiality of and dealing with related party transactions. All contracts or arrangements with related parties, entered into or modified during the financial year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualified under Omnibus approval as permitted under law. No material contract or arrangements with related parties were entered into during the year under review.

Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website at http://www.nilkamal.com/Images/fck_Uploadedfiles/file/Related_Party_Transactions_Policy.pdf.

PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

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

STATUTORY INFORMATION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure D".

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annexure forming part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

Your Company has not accepted Deposits from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, State Government Authorities, Local Authorities and its Employees during the year.

For and on behalf of the Board

Place: Mumbai
Date: May 14, 2016

Vamanrai V. Parekh
Chairman

"ANNEXURE A"**FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES****TO BE INCLUDED IN THE BOARD'S REPORT****1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company believes that CSR is a tool for assisting sustainable growth, by which it can contribute to the development of the community as a whole. The focus areas of the Company's CSR activities shall include Education, Health care and Environmental Sustainability, alongwith other areas as provided in Schedule VII of the Companies Act.

The CSR policy of the Company is available on the website of the Company www.nilkamal.com and the weblink of the same is <http://www.nilkamal.com/Images/fckUploadedfiles/file/CSR%20POLICY.pdf>

2. Composition of the CSR Committee is as under:

- (i) Mr. K. R. Ramamoorthy
- (ii) Mr. Vamanrai V. Parekh
- (iii) Mr. Sharad V. Parekh

3. Average net profit of the Company for last three financial years:

₹ 5,492.57 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in Item 3 above):

₹ 109.85 lacs

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: ₹ 109.85 lacs
- (b) Total amount spend during the financial year: ₹ 199.07 lacs
- (c) Amount unspent, if any : Not Applicable

(d) Manner in which the amount spent during the financial year: as provided in below table:

(Amount in ₹ lacs)

CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the State and District where projects or programs was implemented	Amount outlay (budget) project or programwise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs. (2) oveheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Providing special educational, treatment of Celebral Palsy, Autism and Multi-disabled Children	Education and healthcare	Bhavnagar, Gujarat	100.00	50.00	50.00	Direct
Providing basic necessities to school children, contribution towards construction of school and college premises	Education	Dhule and Mumbai, Maharashtra; Silvassa, Union Territory of Dadra and Nagar Haveli	133.08	133.08	133.08	Direct
Providing basic necessities to the senior citizens (old age homes), eye camp and other medical facilities to the needy	Healthcare	Mumbai, Maharashtra	12.25	12.25	12.25	Direct
Providing sports education to the poor and under priliveged children	Sports	Mumbai, Maharashtra	1.74	1.74	1.74	Direct
Creating awareness for plantation of more trees and fostering greenery	Conservation of environment	Mumbai, Maharashtra	2.00	2.00	2.00	Direct
Total			249.07	199.07	199.07	

6. Reasons for not spending the amount: Not applicable**7. Responsibility Statement by the CSR Committee:** The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Place: Mumbai

Date: May 14, 2016

Sharad V. Parekh
(Managing Director)

K. R. Ramamoorthy
(Chairman of CSR Committee)

"ANNEXURE B"**SECRETARIAL AUDIT REPORT**

For the financial year ended March 31, 2016

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

The Members,
Nilkamal Limited

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowing;
 - 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 (Prohibition of Insider Trading) Regulations, 1992;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Delisting of equity Shares) Regulations, 2009; and
 - iv. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
3. The Company has identified the following laws as specifically applicable to the Company:
 - i. Water (Prevention & Control of Pollution) Act, 1974
 - ii. The Air (Prevention & Control of Pollution) Act, 1981
 - iii. The Legal Metrology Act, 2009

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with the BSE Limited and The National Stock Exchange of India Limited.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year 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 at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place: Mumbai
Date: May 4, 2016

PRATIK M. SHAH
Company Secretaries
FCS No.: 7431
CP No.: 7401

"ANNEXURE C"

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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

CIN	L25209DN1985PLC000162
Registration Date	December 5, 1985
Name of the Company	Nilkamal Limited
Category / Sub Category of the Company	Public Company limited by Share
Address of the Registered Office and Contact Details	Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Silvassa 396 230, Union Territory of Dadra and Nagar Haveli. Tel No. 0260-2699212 / 13
Whether listed Company	Yes
Name, Address and contact details of Registrar and Transfer agent:	M/s. Link Intime India Private Limited C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (W), Mumbai 400 078. Tel: 022-25946970, Fax: 022-25946969 Email id:- rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10% or more of the total turnover of the Company:			
Sr. No.	Name and Description of main products/services	NIC Code of the product/ service	% to total turnover of the Company
1	Manufacture of Plastics Products	222	85.37
2	Retail sales	471	12.73

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate of the Company	% of Shares held	Applicable Section
1	Nilkamal Bito Storage Systems Private Limited 77/78, Nilkamal House, Road No. 13/14, MIDC, Andheri East, Mumbai : 400093, Maharashtra, India.	U63020MH2006PTC161327	Associate	50%	2(6)
2	Cambro Nilkamal Private Limited 77/78, Nilkamal House, Road No. 13/14, MIDC, Andheri East, Mumbai : 400093, Maharashtra, India.	U51109MH2010PTC211686	Associate	50%	2(6)
3	Nilkamal Crates and Bins, FZE P. O. Box 21008, Ajman Free Zone, Ajman United Arab Emiates.	Foreign Company	Subsidiary	100%	2(87)
4	Nilkamal Eswaran Plastics (Private) Limited 328, Madapatha Road, Batakettera, Piliyanadala, SriLanka.	Foreign Company	Subsidiary	76%	2(87)
5	Nilkamal Eswaran Marketing (Private) Limited 328, Madapatha Road, Batakettera, Piliyanadala, SriLanka.	Foreign Company	Step-down Subsidiary	76%	2(87)

IV SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	7193507	-	7193507	48.21	7193507	-	7193507	48.21	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2376500	-	2376500	15.93	2376500	-	2376500	15.93	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	9570007	-	9570007	64.13	9570007	-	9570007	64.13	0.00
2. Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	9570007	-	9570007	64.13	9570007	-	9570007	64.13	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	600000	300	600300	4.02	9686	300	9986	0.07	-3.96
b) Banks / FI	31231	-	31231	0.21	7592	-	7592	0.05	-0.16
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	335841	200	336041	2.25	1180065	200	1180265	7.91	5.66
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	967072	500	967572	6.48	1197343	500	1197843	8.03	1.54
2. Non-Institutions									
a) Bodies Corporate	678296	2185	680481	4.56	506952	2185	509137	3.41	-1.15
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	1968420	217408	2185828	14.65	1575728	201901	1777629	11.91	-2.74
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	1153816	-	1153816	7.73	1597148	-	1597148	10.70	2.97

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
i) Non-resident Indians	171895	100	171995	1.15	90587	100	90687	0.61	-0.54
ii) Non-resident (non-repatriable)	22840	-	22840	0.15	55498	-	55498	0.37	0.22
iii) Trust	121161	-	121161	0.81	200	-	200	0.00	-0.81
iv)Hindu Undivided Family	7608	-	7608	0.05	72570	-	72570	0.49	0.44
v) Clearing Members	39332	-	39332	0.26	47299	-	47299	0.32	0.05
vi) Market Maker	1885	-	1885	0.01	4507	-	4507	0.03	0.02
Sub-total (B)(2):-	4165253	219693	4384946	29.38	3950489	204186	4154675	27.84	-1.54
Total Public Shareholding (B) = (B)(1)+(B)(2)	5132325	220193	5352518	35.87	5147832	204686	5352518	35.87	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	14702332	220193	14922525	100.00	14717839	204686	14922525	100.00	-

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	
1	Vamanrai V. Parekh	1795462	12.03	-	1795462	12.03	-	-
2	Nilkamal Builders Private Limited	1464000	9.81	-	1464000	9.81	-	-
3	Sharad V. Parekh	1292908	8.66	-	1292908	8.66	-	-
4	Hiten V. Parekh	1209962	8.11	-	1209962	8.11	-	-
5	Nayan S. Parekh	1201473	8.05	-	1201473	8.05	-	-
6	Heirloom Finance Private Limited	912000	6.11	-	912000	6.11	-	-
7	Manish V. Parekh	814415	5.46	-	814415	5.46	-	-
8	Purvi N. Parekh	405124	2.71	-	405124	2.71	-	-
9	Manju M. Parekh	392796	2.63	-	392796	2.63	-	-
10	Mihir H. Parekh	11900	0.08	-	11900	0.08	-	-
11	Eashan M. Parekh	10000	0.07	-	10000	0.07	-	-
12	Sharad V. Parekh (HUF)	7223	0.05	-	7223	0.05	-	-
13	Smriti H. Parekh	7101	0.05	-	7101	0.05	-	-
14	Vamanrai V. Parekh (HUF)	6382	0.04	-	6382	0.04	-	-
15	Hiten V. Parekh (HUF)	5000	0.03	-	5000	0.03	-	-
16	Priyanka H. Parekh	5000	0.03	-	5000	0.03	-	-
17	Manish V. Parekh (HUF)	4500	0.03	-	4500	0.03	-	-
18	Shrimant Holdings Private Limited	500	0.00	-	500	0.00	-	-
19	Rajul M. Gandhi	18051	0.12	-	18051	0.12	-	-
20	Manoj K. Gandhi	6210	0.04	-	6210	0.04	-	-
	TOTAL	9570007	64.13	-	9570007	64.13	-	-

Note : The persons included at Serial No. 19 & 20 are independent on which the Promoters have no control of any nature whatsoever.

iii) Changes in the Promoter's shareholding (please specify, if there is no change):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	9570007	64.13	9570007	64.13
2	Date wise increase / decrease in Promoters shareholding during the year specifying reasons for increase / decrease (allotment / transfer bonus / sweat equity etc.):	Nil	Nil	Nil	Nil
3	At the end of the year	9570007	64.13	9570007	64.13

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares at the beginning of the year (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
1	Narendra Kumar Agarwal	0	0.00	01-04-2015				
				11-03-2016	140000	Transfer	140000	0.94
				18-03-2016	285317	Transfer	425317	2.85
		425317	2.85	31-03-2016			425317	2.85
2	Dolly Khanna	248165	1.66	01-04-2015				
				24-04-2015	3000	Transfer	251165	1.68
				01-05-2015	4000	Transfer	255165	1.71
				08-05-2015	26118	Transfer	281283	1.88
				15-05-2015	2000	Transfer	283283	1.90
				22-05-2015	25582	Transfer	308865	2.07
				29-05-2015	6500	Transfer	315365	2.11
				05-06-2015	4805	Transfer	320170	2.15
				12-06-2015	10353	Transfer	330523	2.21
				19-06-2015	4000	Transfer	334523	2.24
				03-07-2015	5500	Transfer	340023	2.28
				24-07-2015	9842	Transfer	349865	2.34
				31-07-2015	3658	Transfer	353523	2.37
				07-08-2015	8500	Transfer	362023	2.43
				14-08-2015	2000	Transfer	364023	2.44
				21-08-2015	2000	Transfer	366023	2.45
				28-08-2015	500	Transfer	366523	2.46
				04-09-2015	1000	Transfer	367523	2.46
				11-09-2015	1000	Transfer	368523	2.47
				18-09-2015	3000	Transfer	371523	2.49
				30-10-2015	-2150	Transfer	369373	2.48
				06-11-2015	-7437	Transfer	361936	2.43
				31-12-2015	-1595	Transfer	360341	2.41
				22-01-2016	-917	Transfer	359424	2.41

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares at the beginning of the year (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
				05-02-2016	-2688	Transfer	356736	2.39
				12-02-2016	-1475	Transfer	355261	2.38
				19-02-2016	-3015	Transfer	352246	2.36
		352246	2.36	31-03-2016			352246	2.36
3	Sunder Iyer	0	0.00	01-04-2015				
				22-05-2015	110000	Transfer	110000	0.74
				29-05-2015	40000	Transfer	150000	1.01
				05-06-2015	17348	Transfer	167348	1.12
				12-06-2015	24213	Transfer	191561	1.28
				19-06-2015	8439	Transfer	200000	1.34
		200000	1.34	31-03-2016			200000	1.34
4	Seetha Kumari	295136	1.98	01-04-2015				
				24-04-2015	-26284	Transfer	268852	1.80
				15-05-2015	-40445	Transfer	228407	1.53
				22-05-2015	1639	Transfer	230046	1.54
				05-06-2015	-102350	Transfer	127696	0.86
				12-06-2015	-79144	Transfer	48552	0.33
				30-06-2015	-500	Transfer	48052	0.32
				03-07-2015	500	Transfer	48552	0.33
				17-07-2015	-48552	Transfer	0	0.00
				24-07-2015	250089	Transfer	250089	1.68
				07-08-2015	-87	Transfer	250002	1.68
				25-09-2015	-23000	Transfer	227002	1.52
				16-10-2015	23000	Transfer	250002	1.68
				22-01-2016	-88080	Transfer	161922	1.09
				19-02-2016	-45257	Transfer	116665	0.78
				04-03-2016	65011	Transfer	181676	1.22
		181676	1.22	31-03-2016			181676	1.22
5	Cello Pens & Stationary Private Limited	160678	1.08	01-04-2015				
				10-4-2015	1518	Transfer	162196	1.09
				24-07-2015	-10000	Transfer	152196	1.02
				31-07-2015	-15000	Transfer	137196	0.92
				07-08-2015	-2000	Transfer	135196	0.91
				06-11-2015	-5196	Transfer	130000	0.87
				15-01-2016	-10000	Transfer	120000	0.80
				22-01-2016	5000	Transfer	125000	0.84
		125000	0.84	31-03-2016			125000	0.84
6	Goldman Sachs (Singapore) PTE	7558	0.05	01-04-2015				
				10-04-2015	10158	Transfer	17716	0.12
				17-04-2015	2461	Transfer	20177	0.14
				08-05-2015	772	Transfer	20949	0.14
				15-05-2015	1395	Transfer	22344	0.15

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares at the beginning of the year (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
				12-06-2015	1718	Transfer	24062	0.16
				03-07-2015	-2298	Transfer	21764	0.15
				31-07-2015	110	Transfer	21874	0.15
				09-10-2015	352	Transfer	22226	0.15
				30-10-2015	221	Transfer	22447	0.15
				20-11-2015	-123	Transfer	22324	0.15
				31-12-2015	-294	Transfer	22030	0.15
				08-01-2016	508	Transfer	22538	0.15
				15-01-2016	32566	Transfer	55104	0.37
				29-01-2016	35900	Transfer	91004	0.61
				05-02-2016	26060	Transfer	117064	0.78
				26-02-2016	188	Transfer	117252	0.79
				04-03-2016	8	Transfer	117260	0.79
				11-03-2016	-1381	Transfer	115879	0.78
				18-03-2016	-4277	Transfer	111602	0.75
				25-03-2016	-3034	Transfer	108568	0.73
		108059	0.72	31-03-2016	-509	Transfer	108059	0.72
7	Premier Investment Fund Limited	195102	1.31	01-04-2015				
				10-04-2015	19667	Transfer	214769	1.44
				17-04-2015	6055	Transfer	220824	1.48
				24-04-2015	16075	Transfer	236899	1.59
				19-06-2015	-12200	Transfer	224699	1.51
				24-07-2015	1800	Transfer	226499	1.52
				07-08-2015	-30380	Transfer	196119	1.31
				14-08-2015	-1800	Transfer	194319	1.30
				11-09-2015	-69804	Transfer	124515	0.83
				09-10-2015	-10106	Transfer	114409	0.77
				23-10-2015	8500	Transfer	122909	0.82
				06-11-2015	2770	Transfer	125679	0.84
				20-11-2015	13700	Transfer	139379	0.93
				27-11-2015	500	Transfer	139879	0.94
				04-12-2015	10200	Transfer	150079	1.01
				11-12-2015	465	Transfer	150544	1.01
				18-12-2015	-334	Transfer	150210	1.01
				25-12-2015	3625	Transfer	153835	1.03
				31-12-2015	-950	Transfer	152885	1.02
				08-01-2016	-1850	Transfer	151035	1.01
				15-01-2016	-18060	Transfer	132975	0.89
				22-01-2016	-15000	Transfer	117975	0.79
				29-01-2016	-11900	Transfer	106075	0.71
				12-02-2016	-5516	Transfer	100559	0.67
				04-03-2016	445	Transfer	101004	0.68
		101004	0.68	31-03-2016			101004	0.68

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares at the beginning of the year (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
8	The Board of Regents of the University of Texas System-Acadian Asset Management	7716	0.05	01-04-2015				
				22-05-2015	1241	Transfer	8957	0.06
				05-06-2015	6127	Transfer	15084	0.10
				03-07-2015	4727	Transfer	19811	0.13
				17-07-2015	4253	Transfer	24064	0.16
				24-07-2015	5995	Transfer	30059	0.20
				07-08-2015	5819	Transfer	35878	0.24
				14-08-2015	5086	Transfer	40964	0.27
				11-09-2015	13415	Transfer	54379	0.36
				09-10-2015	3914	Transfer	58293	0.39
				23-10-2015	6257	Transfer	64550	0.43
				30-10-2015	2520	Transfer	67070	0.45
				13-11-2015	6622	Transfer	73692	0.49
				27-11-2015	4196	Transfer	77888	0.52
				11-12-2015	6084	Transfer	83972	0.56
				18-12-2015	6056	Transfer	90028	0.60
		90028	0.60	31-03-2016			90028	0.60
9	LKP Finance Limited	0	0.00	01-04-2015				
				17-04-2015	95000	Transfer	95000	0.64
				14-08-2015	-10000	Transfer	85000	0.57
		85000	0.57	31-03-2016			85000	0.57
10	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)	0	0.00	01-04-2015				
				09-10-2015	8989	Transfer	8989	0.06
				30-10-2015	1229	Transfer	10218	0.07
				06-11-2015	1223	Transfer	11441	0.08
				15-01-2016	10418	Transfer	21859	0.15
				22-01-2016	9129	Transfer	30988	0.21
				29-01-2016	11852	Transfer	42840	0.29
				05-02-2016	19248	Transfer	62088	0.42
				12-02-2016	11783	Transfer	73871	0.50
				04-03-2016	5966	Transfer	79837	0.54
		79837	0.54	31-03-2016			79837	0.54

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2015		Shareholding at the end of the year - 31-03-2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
A	Directors:				
1	Vamanrai V. Parekh - Chairman	1795462	12.03	1795462	12.03
2	Sharad v. Parekh - Managing Director	1292908	8.66	1292908	8.66
3	Hiten V. Parekh - Jt. Managing Director	1209962	8.11	1209962	8.11
4	Manish V. Parekh - President and Executive Director (Furniture)	814415	5.46	814415	5.46
5	Nayan S. Parekh - President and Executive Director (Material Handling)	1201473	8.05	1201473	8.05
6	Mahendra V. Doshi - Director	7100	0.05	7100	0.05
7	K. R. Ramamoorthy - Director	None of these Directors and KMP hold shares in the Company.			
8	D. B. Engineer - Director				
9	Mufazzal Federal - Director				
10	S. K. Palekar - Director				
11	Hiroo Mirchandani - Director				
B	Key Managerial Personnel (KMPs):				
1	Paresh B. Mehta - Chief Financial Officer (KMP)				
2	Priti P. Dave - Company Secretary (KMP)				

V INDEBTEDNESS

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

(₹ In Lacs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	20,703	-	-	20,703
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	46	-	-	46
	Total (i+ii+iii)	20,749			20,749
	Change in Indebtedness during the financial year				
	Addition	-	5,000*	-	5,000
	Reduction	10,203	5,000	-	15,203
	Net Change	10,203	-	-	10,203
	Indebtedness at the end of the financial year				
i	Principal Amount	10,500	-	-	10,500
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	19	-	-	19
	Total (i+ii+iii)	10,519			10,519

*Commercial paper

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and / or Manager:

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Sharad V. Parekh	Hiten V. Parekh	Manish V. Parekh	Nayan S. Parekh	
1	Gross salary					
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	158.46	138.65	128.75	110.92	536.79
b)	Value of perquisites under section 17(2) of the Income Tax Act, 1961	5.16	6.20	3.57	3.45	18.37
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	-	-	-	-	-
5	Others : i) National Pension Scheme & Provident Fund	-	18.46	17.16	14.78	50.40
	Total (A)	163.62	163.31	149.48	129.16	605.56

B. Remuneration to other Directors

I. Independent Directors:-

(₹ In Lacs)

Particulars of Remuneration	Name of Directors						Total Amount
	Mr. K. R. Ramamoorthy	Mr. Mahendra V. Doshi	Mr. D. B. Engineer	Mr. Mufazzal Federal	Mr. S. K. Palekar	Ms. Hiroo Mirchandani	
Fees for attending board / committee meetings	4.40	4.30	4.30	2.80	2.80	2.80	21.40
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total	4.40	4.30	4.30	2.80	2.80	2.80	21.40
Total (1)							21.40

II Other Non-Executive Directors:-

(₹ In Lacs)

	Mr. Vamanrai V. Parekh	Total Amount
Fee for attending board / committee meetings	3.80	3.80
Commission	-	-
Others, please specify	-	-
Total (2)	3.80	3.80
Total (B)=(1+2)		25.20

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Paresh Mehta Chief Financial Officer	Priti Dave Company Secretary	
1	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	98.67	16.45	115.12
b)	Value of perquisites under section 17(2) of the Income Tax Act, 1961	0.32	0.16	0.49
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission (as % of Profit / Others)	-	-	-
5	Others : i) National Pension Scheme & Provident Fund	9.52	1.17	10.69
	Total	108.51	17.78	126.30

VII PENALTIES/ PUNISHMENT / COMPOUNDING OF OFFENCES (Under the Companies Act, 2013):

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

"ANNEXURE D"

Information as required under the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY.

In line with our dedicated efforts towards conservation of energy, your Company has established and implemented ISO 50001 EnMS (Energy Management Systems) certified by TUV-SUD Germany across all its units.

Our continuous endeavour and focus on energy savings and constant thirst to conserve natural resources have resulted in group energy savings of 6% in terms of unit/Kg, which is significant as it amounts to saving of carbon foot print.

In keeping with its efforts, your Company will be further investing in various energy saving options and in turn will drive the system to reduce the power consumption, wherever possible.

Further, the Company was awarded the first prize for its Hosur Unit by Government of India-Ministry of Power "Bureau of Energy Efficiency" at the National Energy Conservation Award Ceremony-2015.

B. TECHNOLOGY ABSORPTION.

Disclosure of particulars in Form B, with respect to Technology Absorption:

RESEARCH AND DEVELOPMENT (R & D):

Your Company strives to make constant investments towards improvement in its existing product lines and undertakes development efforts in that area. Such efforts shall help your Company to achieve the set targets in a better manner, within less than required time together with providing improved quality products. This has also enhanced the development capabilities of the Company. Your Company has incurred ₹ 220 lacs i.e. 0.12% of total turnover of the Company, towards recurring R and D expenditure. There was no expenditure of capital nature towards the same.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
 - Your Company's focus on Supply Chain Management (SCM) and its extension to network partners, towards pull system in the west zone has been very fruitful resulting in improvement in Quality of SKU's, inventory and value with greater control over the same based on market fluctuations.
 - The Company shall extend the advantages of the SCM to the south and other parts of the country during the current year, in a planned and sustained manner, to its network partners on a pilot run basis to strengthen the SCM as a Corporate Drive.
 - Your Company's drive on innovation with the help of "V30Winner" (V30W) projects which has become an organisational culture has yield in Innovative solutions and suggestions from almost every section of employee including the top, middle and bottom management with active participation.
 - Other projects on Quality Enhancement, lean management practices and safety improvements were mutually shared between units for its overall success.
2. Benefits derived as a result of the above efforts.
 - Sustained SCM in place with Improvement in quality of inventory and cost.
 - Using V30W for sustained innovation as a growing culture within the organisation.
 - Knowledge and Skills sharing across Company initiatives for benchmarking the best practices.
 - Improved performance of machines and its utilisation.
 - Conservation of Natural resources with prime focus on Energy.
3. The Company has not imported any technology or process know-how.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total Foreign Exchange used and earned

	(₹ in lacs)	
	2015-2016	2014-2015
Foreign Exchange Earned	5,836	5,468
Foreign Exchange Used	19,704	19,020

For and on behalf of the Board

Place: Mumbai
Date: May 14, 2016

Vamanrai V. Parekh
Chairman

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2016.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

2. BOARD OF DIRECTORS

The Composition of the Board

The Company has a balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent Directors on the Board are experienced and competent from the fields of finance, marketing, economics, law, governance etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). As at the end of corporate financial year 2016, the total Board strength comprises of Eleven Directors on the Board, out of which Seven are Non-Executive Directors including a Non-Executive Chairman and the rest are Executive Directors.

Attendance of Directors at Board Meetings and the last Annual General Meeting (AGM) and number of directorships / committee memberships held by the Directors in other Companies:

Name of the Director	Category of Directorship	No. of Board Meeting attended during the F. Y. 2015-2016.	Attendance at the Last AGM held on August 4, 2015.	*AS ON MARCH 31, 2016		
				No. of Directorships in other Public Company	**Committee membership in other Public Company	**Chairmanship in committees in which they are members
Mr. Dadi B. Engineer DIN : 00047028	Independent, Non-Executive Director	5	No	4	2	2
Ms. Hiroo Mirchandani DIN : 06992518	Independent, Non-Executive Director	5	Yes	6	4	-
Mr. K. R. Ramamoorthy DIN : 00058467	Independent, Non-Executive Director	5	Yes	5	6	3
Mr. Mahendra V. Doshi DIN : 00123243	Independent, Non-Executive Director	5	No	5	3	1
Mr. Mufazzal Federal DIN : 03409798	Independent, Non-Executive Director	5	No	--	--	--
Mr. S. K. Palekar DIN : 01723670	Independent, Non-Executive Director	5	No	2	3	2
#Mr. Hiten V. Parekh DIN : 00037550 Joint Managing Director	Executive Director	5	Yes	--	--	--
#Mr. Manish V. Parekh DIN : 00037724 President and Executive Director (Furniture)	Executive Director	5	Yes	--	--	--
#Mr. Nayan S. Parekh DIN : 00037597 President and Executive Director (Material Handling)	Executive Director	4	Yes	--	--	--

Mr. Sharad V. Parekh DIN : 00035747 Managing Director	Executive Director	5	Yes	--	--	--
Mr. Vamanrai V. Parekh DIN : 00037519 Chairman	Non-Executive Director	5	Yes	--	--	--

* Excludes Directorship / Committee membership / Committee chairmanship in Private Limited Companies, Foreign Companies, Section 8 Companies and Nilkamal Limited.

** Only Audit Committee and Stakeholder's Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the Listing Regulations.

The Board of Directors had approved the change in designation of Mr. Hiten V. Parekh, Mr. Manish V. Parekh and Mr. Nayan S. Parekh from Executive Directors to 'Joint Managing Director', 'President and Executive Director (Furniture)' and 'President and Executive Director (Material Handling)', respectively w.e.f. November 2, 2015.

Separate Meeting of Independent Directors

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, the Independent Directors met on January 24, 2016, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Further, as a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc. The details pertaining to the familiarisation program can be accessed at the Company's weblink at http://www.nilkamal.com/Images/fckUploadedfiles/file/familiration_programme.pdf.

Number of Board Meetings held and the dates on which held

There were five Board Meetings of the Company held during the financial year 2015-2016 on the following dates: May 12, 2015, August 3, 2015, November 2, 2015, January 25, 2016 and March 14, 2016.

Mr. Vamanrai V. Parekh and Mr. Sharad V. Parekh are brothers. Further, Mr. Hiten V. Parekh and Mr. Manish V. Parekh are sons of Mr. Vamanrai V. Parekh and Mr. Nayan S. Parekh is son of Mr. Sharad V. Parekh.

Except the above there are no inter-se relationships among the Directors.

3. AUDIT COMMITTEE

The composition of the Audit Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulations 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and the rules framed thereunder. The Audit Committee comprises of four Non-Executive Directors who are well versed with the financial matters and corporate laws. The Audit Committee met four times on May 12, 2015, August 3, 2015, November 2, 2015 and January 25, 2016. The necessary quorum was present for all the meetings. The Chairman of the Audit committee was present at the last Annual General Meeting of the Company held on August 4, 2015.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	4	4
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	4	4
Mr. Dadi B. Engineer	Independent, Non-Executive	Member	4	4
Mr. Vamanrai V. Parekh	Non-Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee invites the Managing Director, Executive Directors, Senior Executives representing Finance, Accounts and Internal Audit functions of the Company, Statutory Auditors and Internal Auditors at its Meetings.

Terms of Reference:

The terms of reference and role of the Audit Committee are as per guidelines set out in the Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia reviews:

1. Audited and Un-audited financial results;
2. Internal Audit reports, risk management policies and reports on internal control system;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditors and Chief Financial Officer. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations and the Act.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors, all being independent. The Committee met three times in 2015-2016 on May 12, 2015, November 2, 2015 and January 24, 2016. The necessary quorum was present for the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on August 4, 2015. The composition of the Committee during 2015 and the details of meetings held and attended by the members are as under:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	3	3
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	3	3
Mr. Dadi B. Engineer	Independent, Non-Executive	Member	3	3

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

The broad terms of reference of Nomination and Remuneration Committee are:

- 1) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- 2) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- 3) To formulate the criteria for evaluation of the Independent Directors and the Board;
- 4) To devise a policy on Board diversity.

Remuneration to Directors:

The Company has a transparent policy in determining the remuneration of the Non-Executive Directors of the Company. The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed thereunder. The remuneration determined for the Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Board of Directors at their Meeting held on May 12, 2015, revised the sitting fees payable to the Independent Directors for attending Board Meeting to ₹ 50,000 per meeting. Further, the sitting fees payable for attending the meetings of Audit Committee is ₹ 30,000, Nomination and Remuneration Committee is ₹ 10,000 and Corporate Social Responsibility Committee is ₹ 10,000.

The details of remuneration paid to the Directors during the financial year 2015-2016 are given below:

Name of the Director	Salary & perquisites (₹)	Sitting fees (₹)	Total (₹)	No. of Shares held as on 31-03-2016
Mr. Dadi B. Engineer	N.A.	430,000	430,000	Nil
Ms. Hiroo Mirchandani	N.A.	280,000	280,000	Nil
Mr. K.R. Ramamoorthy	N.A.	440,000	440,000	Nil
Mr. Mahendra V. Doshi	N.A.	430,000	430,000	7,100
Mr. Mufazzal S. Federal	N.A.	280,000	280,000	Nil
Mr. S. K. Palekar	N.A.	280,000	280,000	Nil
Mr. Vamanrai V. Parekh	N.A.	380,000	380,000	1,795,462
Mr. Hiten V. Parekh	16,330,772	N.A.	16,330,772	1,209,962
Mr. Manish V. Parekh	14,947,715	N.A.	14,947,715	814,415
Mr. Nayan S. Parekh	12,915,593	N.A.	12,915,593	1,201,473
Mr. Sharad V. Parekh	16,362,150	N.A.	16,362,150	1,292,908

Notes:

1. Sitting fees include fees for attending the Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings, Corporate Social Responsibility Committee Meeting and Independent Director's Meeting.
2. An amount of ₹ 4.63 crores has been provided in the accounts for the year under review, for payment of commission to the Executive Directors for the financial year 2015-2016. The said commission is linked to the performance of the Company i.e. it shall be paid to the extent of 1% of the net profits (as per Section 198) of the Company over and above the net profits of ₹ 50.00 crores to each of the Executive Directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. During the year under review, the Committee met four times on June 24, 2015, September 22, 2015, December 21, 2015 and March 21, 2016. The composition and details of the meetings attended by the members are given below:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. Vamanrai V. Parekh	Non-Executive	Chairman	4	4
Mr. Sharad V. Parekh	Executive	Member	4	4
Mr. Hiten V. Parekh	Executive	Member	4	4

Ms. Priti P. Dave, Company Secretary is the "Compliance Officer" who oversees the redressal of the investors' grievances.

Terms of Reference:

The Committee shall act in accordance with the terms of reference which shall, inter alia, include:

- a) To specifically look into the mechanism of redressal of grievances of shareholders;
- b) The Committee shall consider and resolve the grievances of the shareholders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year, 6 complaints were received from shareholders, out of which all complaints have been attended / resolved. As on March 31, 2016, no investor grievance has remained unattended / pending for more than thirty days.

The Company has assigned its share transfer and dematerialisation work to M/s. Link Intime India Private Limited, Registrar and Transfer Agents. As on March 31, 2016 there were no dematerialisation requests and share transfer applications pending for approval with the Registrars.

6. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings (AGM) and details of the special resolutions passed:

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution Passed
29 th AGM	04-08-2015	12.00 noon	Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli.	1. Reappointment of Mr. Sharad V. Parekh (DIN: 00035747), as the Managing Director of the Company for a period of five years with effect from April 1, 2015 upto March 31, 2020.
28 th AGM	06-09-2014			1. To borrow funds pursuant to the provisions of Section 180(1)(c). 2. To create mortgage/ charge on Company's assets under the provisions of Section 180(1)(a).
27 th AGM	15-07-2013			NIL

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

Postal Ballots:

No resolutions were passed through postal ballot during the last Financial Year.

7. DISCLOSURES**a) Related Party Transactions**

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. The Policy is available on the website of the Company at http://www.nilkamal.com/Images/fckUploadedfiles/file/Related_Party_Transactions_Policy.pdf.

There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the normal course of business and are carried out on an arm's length basis.

b) Compliance

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

c) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the provisions of Listing Regulations, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at www.nilkamal.com.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations

During the year, the Company has complied with the mandatory requirements as stipulated in Listing Regulations.

With respect to the compliance with the non-mandatory requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations, the Company has adopted the following non-mandatory requirements:

- i) The Chairman being Non-Executive Director, an office is made available for his use during his visits to the Company.
- ii) The Company's financial statements for the financial year ended March 31, 2016 are unqualified.
- iii) The position of Chairperson of Board and the Managing Director are separate.
- iv) The Internal Auditors report directly to the Audit Committee.

e) **Material Subsidiary**

During the year ended March 31, 2016, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulations and the same is disclosed on the Company's website. The weblink is http://www.nilkamal.com/Images/fckUploadedfiles/file/Policy_on_determining_material.pdf.

f) **Commodity Price Risk / Foreign Exchange Risk and Hedging activities**

The Company is exposed to foreign exchange risk on account of import and export transactions entered. The Company is proactively mitigating these risks by entering into commensurate hedging transactions as per the Company's Enterprise Risk Management Policy.

The Company is subjected to the risk of fluctuations in raw materials price which is based on the variation in crude prices in the international market and Dollar-Rupee movement. There is no financial instrument available for hedging such risk, and hence, the Company minimizes this risk by managing its inventory based upon its past experience and other relevant factors.

8. CEO / CFO CERTIFICATION

The Managing Director & Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

9. MEANS OF COMMUNICATION

- The Company's unaudited quarterly financial results are announced within forty-five days of the close of the quarter and its audited annual financial results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board.
- The financial results are published in Financial Express (English) and Daman Ganga Times. The Company's results, official news releases and presentations made to Institutional Investors/ Analysts, if any, are displayed on the Company's website www.nilkamal.com. Further, the said results are also e-mailed to the shareholders on their registered e-mail IDs.
- The Annual Report is circulated to all members, and is also available on the Company's website.

10. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

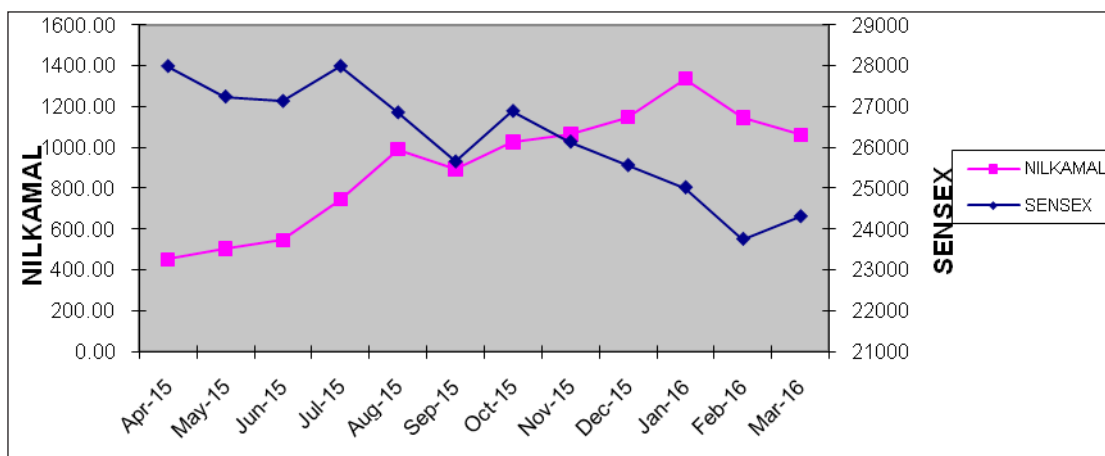
Date & Time	Thursday, August 11, 2016 at 12.00 noon.	
Venue	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Silvassa-396 230, Union Territory of Dadra & Nagar Haveli.	
Financial Calendar	Financial Year: April 1, 2016 to March 31, 2017 Results for Quarter ending :	
	June 30, 2016	Before August 14, 2016.
	September 30, 2016	Before November 14, 2016.
	December 31, 2016	Before February 14, 2017.
	March 31, 2017	Before May 30, 2017.
Listing on Stock Exchanges	1. The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. 2. National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.	
Stock Code	1. The BSE Limited – 523385 2. National Stock Exchange of India Limited– NILKAMAL	
Demat ISIN in NSDL and CDSL for Equity Shares	INE310A01015	
Corporate Identification Number (CIN)	L25209DN1985PLC000162	

The Company has paid the Annual Listing fees to each of the above Stock Exchanges, for the financial year 2015-2016.

Market Price Data

BSE Limited			National Stock Exchange of India Limited		
Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2015	489.00	413.60	April, 2015	490.00	412.50
May, 2015	570.20	435.00	May, 2015	569.90	435.00
June, 2015	607.25	480.00	June, 2015	608.30	478.00
July, 2015	915.00	575.75	July, 2015	916.00	572.00
August, 2015	1179.00	804.25	August, 2015	1173.60	780.00
September, 2015	1034.00	752.00	September, 2015	1035.00	810.00
October, 2015	1095.00	957.50	October, 2015	1096.65	956.05
November, 2015	1188.50	942.00	November, 2015	1189.00	940.00
December, 2015	1312.00	988.00	December, 2015	1312.05	985.00
January, 2016	1631.00	1043.10	January, 2016	1631.95	1041.05
February, 2016	1410.00	884.00	February, 2016	1408.80	885.00
March, 2016	1145.00	981.00	March, 2016	1145.00	980.10

Performance in comparison to broad-based indices such as BSE Sensex Share Price Movement during each month of the financial year 2015-2016*



* Sources www.bseindia.com.

Registrar and Transfer Agents and Share Transfer System

M/s. Link Intime India Private Limited (Link Intime), C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (W), Mumbai 400 078; Tel: 022-25946970, Fax: 022-25946969, Email: rnt.helpdesk@linkintime.co.in are the Registrar and Share Transfer Agents for physical shares of the Company. They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1-500	13,579	94.37	992,397	6.65
501 to 1000	375	2.60	291,866	1.96
1001 to 2000	178	1.24	273,207	1.83
2001 to 3000	60	0.42	150,712	1.01
3001 to 4000	37	0.26	130,751	0.88
4001 to 5000	29	0.20	133,351	0.89
5001 to 10000	50	0.35	353,824	2.37
10001 and above	81	0.56	12,596,417	84.41
Total	14,389	100.00	14,922,525	100.00

Shareholding Pattern as on March 31, 2016

Category	No. of Shareholders	Voting Strength (%)	No. of shares
Promoter and Promoter Group	27	64.13	9,570,007
Mutual Funds	2	0.07	9,986
Foreign Portfolio Investor	57	7.91	1,180,065
Financial Institution / Bank	4	0.05	7,592
Foreign Financial Institutions	2	0.00	200
Body Corporate	371	3.76	560,943
Public & Others	13,926	24.08	3,593,732
Total	14,389	100	14,922,525

Dematerialisation of shares and liquidity

98.63% of the Company's Share Capital is dematerialised as on March 31, 2016. The Company's shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited.

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

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments.

Plant Locations

The Company's plants are located at Barjora and Hooghly (West Bengal), Hosur (Tamilnadu), Jammu (Jammu and Kashmir), Kharadpada and Vasona (Union Territory of Dadra and Nagar Haveli), Noida (Uttar Pradesh), Puducherry (Puducherry) and Sinnar (Maharashtra).

Address for Correspondence

Investors can communicate at the following addresses:

1. Ms. Priti P. Dave – Company Secretary**Nilkamal Limited**

Nilkamal House,
77/78, Road No. 13/14, MIDC,
Andheri-East, Mumbai 400 093.
Tel:- 022-42358888 Fax:- 022-26818080
E-mail:- investor@nilkamal.com

2. M/s. Link Intime India Private Limited

Registrar and Transfer Agents
C-13, Kantilal Maganlal Estate,
Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.
Tel: 022-25946970, Fax: 022-25946969
Email: rnt.helpdesk@linkintime.co.in

MANAGING DIRECTOR'S DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of
NILKAMAL LIMITED

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct framed by the Company.

For **Nilkamal Limited**

Sharad V. Parekh
Managing Director

Mumbai, May 14, 2016

MANAGING DIRECTOR/ CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Nilkamal Limited ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (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 violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee;
 - i) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2016;
 - ii) Significant changes in accounting polices during the year ended March 31, 2016 and that the same have been disclosed in the notes to the Financial Statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For Nilkamal Limited

For Nilkamal Limited

Date: May 14, 2016
Place: Mumbai

Sharad V. Parekh
Managing Director

Paresh B. Mehta
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
Nilkamal Limited

We have examined the compliance of conditions of Corporate Governance by Nilkamal Limited ('the Company'), for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W /W-100022

For Vora & Associates
Chartered Accountants
Firm's Registration No: 111612W

Sadashiv Shetty
Partner
Membership No: 048648

Mumbai
May 14, 2016

Bharat B. Chovatia
Partner
Membership Number: 031756

Mumbai
May 14, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:-

The Indian economy was relatively stable during the fiscal year 2015-16. The country's gross domestic product (GDP) grew by 7.4% compared to 7.2% growth in GDP in 2014-15.

From the demand angle, the growth in private final consumption expenditure at 7.6% in 2015-16 has been the major driver of growth. The exports and imports have declined during 2015-16, the former mainly on account of subdued global demand and the latter largely reflecting the decline in international petroleum prices.

The country's GDP is expected to grow by 7.7% during the year. Domestic consumption is expected to be the main driver of the likely acceleration in economic growth this year.

Forecast of a good monsoon after a gap of two years, consequent rise in agricultural output, healthy increases in MGNREGA wage rates, implementation of the 7th Pay Commission salary hikes and one rank one pension (OROP), benign inflation and an accommodative monetary policy stance of the RBI are expected to help increase discretionary spending and in turn improve the economic growth further during the year.

Plastic Business

The **Plastic Business** has achieved a volume growth of 3% and value growth of 5%. During the financial year 2015-16 it has achieved total turnover of ₹ 176,572 lacs as compared to ₹ 169,521 lacs in the previous year.

The **Furniture Business** registered a top line growth of 2% in the last financial year. The year witnessed a progressive reduction in raw material prices which bottomed out in the last two quarters from the high point of the first quarter. Strong distribution and prudent pricing policies helped the Company to enhance the bottom line. The Company continues to enjoy the market leadership & holds the market share of approx. 32%, which is double over its closest competitor.

The Company has taken steps to invest in range of differentiated products in the Premium Monoblock and other range in the moulded vertical. The year gone by saw a stupendous growth of over 30% in the traded products sold through distribution mode. The growth was fueled by introduction of variety of furniture solutions in bedrooms/living/ OSS segment. The hybrid chair, combining metal and plastic, introduced in last three financial years showed a robust growth even in the current fiscal year. To strengthen our distribution, this year we have added more than 200 new towns and villages with an objective to penetrate the market so that we can reach to the nearest point to our customers.

The visibility equation of traded products has been accelerated with the help of 15 "Nilkamal Home Ideas" stores ranging from 4,000-8,000 sq.ft. in various 2/3 tier cities. Apart from the "Nilkamal Home Ideas" stores, the Company has also appointed more than 30 DODOs (dealer owned, dealer operated stores) across the geography. The Company has robust network of 40 plus depots, more than 1,000 channel partners and over 12,000 dealers on a pan India basis. To enhance product offering, this year Company has widen school furniture and SOHO (small office/home office) furniture range by adding more than 50 products in this segment. The Company has reinforced their market presence by adding more Modern Trade outlets, E-commerce portals and Just dial to promote the sales of various value added products.

In the long run we remain bullish on the prospect of Furniture business. The growing middle class would need quality furniture from reliable manufacturers to meet their aspirants of modern living. The pan India penetration and the Company's strength of servicing customers at the arm's length through depots in major cities would definitely augment our leadership strength and help the division grow at the rate of 8%-10% in revenue terms.

The major threats would be the volatility of raw material prices, adverse currency fluctuation and non-adherence of statutes by more than 150 unorganised players who compete mainly on the strength of low quality products and unethical practices like evasion of taxes and other levies.

Mattress Business

During the financial year 2015-16 the Mattress business has achieved a turnover of ₹ 3,001 lacs. Towards the end of the financial year the Company has integrated Mattress vertical along with the Furniture business to leverage the benefits of a strong distribution network of 40 plus depots, 1,000 channel partners and approximately 12,000 retailers under the channel partner on a pan India basis. Of this nearly 30-40% already deal with Mattress and in a way would serve as one stop Furniture solution. It will also help the penetration to remote rural markets thus enhancing our ability to manage complex supply chain equations at a lower cost.

Post the integration decision we are already seeing traction northwards as regard the top line revenue growth in the Mattress vertical.

The Company has rationalized the prices of Mattress and enhanced the dealer engagement programs to further enhance the market share in South, West & East. In the current financial year the Company plans to enhance its range of rubberized coir, foam and spring Mattress which will serve the comfort, back support for the spine and wellness factors sought by our esteemed customers. Some of the unique products introduced in the last financial year like Spinefit, Cool Bond, McKenzie, Ortho etc. have been appreciated equally by the trade and customers at large. In the coming financial year the Company plans to enter the northern market.

The focus would also be on institutional sales in segments like hospital, hostels, hotels where the requirement is for high quality branded Mattress. The Company intends to spend in advertising and sales promotion to increase awareness as regards our Mattress vertical and to aid channel partners in achieving the objective of both top line growth and deeper penetration.

Unorganized players have a large share in regional markets. The proliferation of regional players is also rampant because of the low entry barrier.

The literacy going up in all states has also helped in ensuring that “wellness theme” becoming an important factor in consumer's mind and is also helping the shift from unorganized sector to branded players.

Material Handling Business grew by 8% in value and 10% in volume terms during the year 2015-16. Nilkamal continues to hold the market leader position in the Material handling segment by continuing its focus on “direct selling”, an ideology which has resulted in strengthening its already robust relationship with its vast industrial customer base.

Product solutions primarily help Industries & Business to:

- a) Protect their products during storage, movement and transport,
- b) Store their products efficiently, thereby saving space and
- c) Improve their labour productivity during product movement and storage.

All our Made in India Offerings tie in extremely Well for All development initiatives of the Government like “Make in India”, “Swachh Bharat Abhiyan” and Infrastructure.

Our re-organized Pan India presence with 40+ Regional Sales Office and Sales Force strength of 300+, supported by 39 warehouses spread across India and our focus on Improved Asset Utilisation and productivity continue to benefit the Company and are seen as game changers for our well satisfied customers.

The Company continued to invest in ensuring customized solutions to the growing requirements of customers.

The E-commerce industry recognize us for providing customized handling, storage and movement solutions to match its quicker than the quick throughput needs owing their stupendous growth.

All our three ventures Nilkamal Crates & Bins Ajman, Nilkamal Bito Storage Systems Private Limited and Cambro Nilkamal Private Limited continue have shown robust double digit growth.

All ongoing developmental initiatives of Government and implementation of GST will further help to propel future growth of our business.

The Depreciation of Indian Currency resulting in increase in raw material prices, in spite of lowest crude prices remains a major concern for sustaining profitability and sales growth in the short and medium term.

Lifestyle Furniture, Furnishing and Accessories Business

@home –has 15 large format stores and one Go to Market (GTM) Store, spread across 12 cities, covering a retail space of over 2.46 Lacs sq.ft. and continues to be a trusted brand among the consumers .

In the financial year 2015-16 @home achieved ₹ 23,805 lacs of revenue compared to previous year ₹ 21,750 lacs with a YOY growth of 9%. In spite of continuous price cut from E commerce players @home managed to have a double digit growth in Customer Footfalls at our outlets.

During the year, sales through E-commerce channel saw an upward trend, compared to previous year. The strategy was to exploit the E-commerce portals and have partnership with them to increase visibility of our product offerings and services. This we achieved and it resulted in a remarkable growth of 310 % in terms of revenue.

Presently @home is one of the highly trusted key partners, for various reputed & established online market players. It has achieved 13% growth in household category over year on year by standardizing the entire assortment, pricing and planogramming.

We started an outsourced captive unit for furniture to innovate more in terms of product offering and for better inventory management. @home continues to focus into the Solid Wood furniture segment. As part of furniture category expansion we have forayed into Modular Kitchen and Customized Wardrobe.

For optimizing profitability in retail area and product portfolio, we conceptualized BIW (business information warehouse) to exercise extensive data analytics and improve decision making.

During the year the Company has closed one store situated at Mumbai. Further, effective steps have been taken for closure of operation of 3 stores situated at Mumbai, Cochin & Hyderabad.

The focus for the financial year 2016-17 is to get the best out of the new categories, Modular Kitchen and Customized Wardrobe. In E-commerce channel the focus will be to increase our brand reach geographically.

We are in process to partner with digital Payment/Wallet companies to further improve customer experience both in Online and Offline Channel.

Growing competition from online players in term of range and pricing remains an area of concern. However, @home is prepared for the future challenges and further explores the untapped growth opportunity witnessed in the E-commerce business.

Financial Review**Operating Profit**

The Company registered operating Profit of ₹ 22,376 lacs against ₹ 14,381 lacs in the previous year, an increase of 56% over the previous year.

The operating margin for the year was 12% as compared to 8% in the previous year. The operating margin of plastic business stood at 14% compared to 9% in previous year.

Interest

Due to better working capital management & lower cost of fund, financial cost has been reduced by 40% i.e. from ₹ 2,954 lacs to ₹ 1,785 lacs.

Net Profit

The Company has made net profit after tax of ₹ 10,389 lacs as against ₹ 4,246 lacs, an increase by 145%.

Dividend

The Company has paid a total interim dividend of ₹ 7 per equity share (70%) for the current year. The total outflow amounts to ₹ 1,141 lacs including dividend distribution tax.

Capital Employed

The total capital employed stood at ₹ 68,999 lacs against ₹ 69,946 lacs of previous year. The total debt to equity stands at 0.18 times against 0.42 times of the previous financial year.

Internal Control System and their Adequacy

Over the years, formal and independent evaluation of internal controls by Internal Audit and timely remediation of deficiencies by management have resulted in strong framework for Internal Controls, commensurate with the size and complexity of the business.

The internal control framework essentially has two elements:

- (1) Policies, procedures and guidelines designed to achieve efficiency and effectiveness in operations and compliance with laws and regulations;
- (2) An assurance function provided by Internal Audit (In house department and external agencies).

The Company have documented risk control matrices mapping various processes which would be continuously reviewed and monitored for changes warranted due to business needs.

The Internal Audit department continuously monitors the efficiency of the internal controls/ compliance with documented Risk control matrices with the objective of providing the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management and Internal Financial controls in addition to obtaining certification from external agencies.

Human Resources and Industrial Relations

Your Company's industrial relations continued to be harmonious during the year under review. The employee strength of your Company is currently 3,012.

Cautionary Statement

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economic and political factors. The Management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NILKAMAL LIMITED**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Nilkamal Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 auditors' 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A,

a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the Annexure B; and
- (g) With respect to the other matters to be included in the Auditors' 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:
 1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27(a) to the standalone financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For Vora & Associates

Chartered Accountants

Firm's Registration No: 111612W

Sadashiv Shetty

Partner

Membership No: 048648

Bharat B. Chovatia

Partner

Membership No.: 031756

Mumbai

May 14, 2016

Mumbai

May 14, 2016

Annexure A to the Independent Auditors' Report – 31st March, 2016

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2016, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which the fixed assets are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the programme, the Company has physically verified certain fixed assets during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 10 to the standalone financial statements, are held in the name of the Company other than those disclosed in the table below:

Asset class	No of cases	Gross Block (₹ in Lacs)	Net block (₹ in Lacs)	Remarks
Freehold land	1	0.68	0.68	Pending completion of the relevant formalities of some of the fixed assets which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies
Buildings	36	375.23	301.17	

- (ii) The inventory, except for goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been adequately dealt with in books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a) and (b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or made any investments or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues were in arrears as at 31st March, 2016 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 Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value added tax as at 31st March, 2016 which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Nature of dues	Amount * (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax of various states	Central Sales Tax and Local Sales Tax (including Value Added Tax)	-	2001-2002 to 2004-2005	Supreme Court
		35.22	2008-2009	High Court
		667.71	2012-13	High Court
		220.44	2005-2006, 2007-2008, 2010 to 2015	Commissioner - Appeals
Central Excise Act, 1944	Excise Duty	4.81	1999-200	High Court
		22.95	2002-2007	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		156.14	June 2009 to September 2014	Commissioner - Appeals
		12.00	June 2010 to February 2011	Commissioner - Appeals
		10.00	2008-2013	Commissioner - Appeals
Finance Act, 1994	Service Tax	0.81	2007 to 2012	Commissioner - Appeals
Income Tax Act, 1961	Tax deducted at source Penalty for non- disclosure of expense	3.39	2010-11	CIT (Appeals)
		0.77	2010 to 2012	CIT (Appeals)

* Amount is net of payments made under dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government or dues to debenture holders during the year.
- (ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the standalone financial statements as required by Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For Vora & Associates

Chartered Accountants

Firm's Registration No: 111612W

Sadashiv Shetty

Partner

Membership No: 048648

Bharat B. Chovatia

Partner

Membership No.: 031756

Mumbai

May 14, 2016

Mumbai

May 14, 2016

Annexure B to the Independent Auditors' Report of even date on the Standalone Financial statements of Nilkamal Limited – 31st March, 2016**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For Vora & Associates

Chartered Accountants

Firm's Registration No: 111612W

Sadashiv Shetty

Partner

Membership No: 048648

Bharat B. Chovatia

Partner

Membership No.: 031756

Mumbai

May 14, 2016

Mumbai

May 14, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note	₹ in lacs	
		As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	1,492.25	1,492.25
(b) Reserves and Surplus	2	57,006.00	47,751.25
2 Non-current liabilities			
(a) Long-Term Borrowings	3	879.21	4,394.16
(b) Deferred Tax Liabilities (Net)	4	948.62	1,577.80
(c) Other Long-Term Liabilities	5	4,006.74	3,707.44
(d) Long-Term Provisions	6	499.61	696.02
3 Current Liabilities			
(a) Short-Term Borrowings	7	7,444.72	12,523.90
(b) Trade Payables			
(i) Payable to Micro and Small Enterprise	32	-	-
(ii) Other Payables		10,741.76	9,264.28
(c) Other Current Liabilities	8	8,296.97	8,082.05
(d) Short-Term Provisions	9	2,402.66	2,290.54
TOTAL		93,718.54	91,779.69
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Fixed Assets		25,603.15	28,166.28
(ii) Intangible Fixed Assets		91.37	201.30
(iii) Capital Work-in-Progress		451.36	136.16
		26,145.88	28,503.74
(b) Non-Current Investments	11	2,561.59	2,556.29
(c) Long-Term Loans and Advances	12	5,050.75	5,216.68
(d) Other Non-Current Assets	13	74.15	107.11
2 Current Assets			
(a) Inventories	14	29,649.44	27,666.90
(b) Trade Receivables	15	25,758.83	22,886.90
(c) Cash and Bank Balances	16	1,095.20	820.26
(d) Short-Term Loans and Advances	17	3,160.75	3,597.60
(e) Other Current Assets	18	221.95	424.21
TOTAL		93,718.54	91,779.69
Significant accounting policies	26		

The notes referred to above form an integral part of the financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED**For For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note	(₹ in lacs)	
		Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue from Operations (Gross)	19	200,376.36	191,271.01
Less: Excise Duty		13,349.49	12,605.09
Revenue from Operations (Net)		187,026.87	178,665.92
II. Other Income	20	919.51	624.96
III. Total Revenue (I+II)		187,946.38	179,290.88
IV. Expenses:			
Cost of Materials Consumed	21	64,781.43	69,033.14
Purchases of Stock in Trade	33 (b)	43,744.70	43,028.16
Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade	22	(1,453.56)	1,498.62
Employee Benefits Expense	23	13,479.97	11,293.51
Finance Costs	24	1,784.86	2,954.19
Depreciation and Amortisation Expenses	10	5,262.57	5,375.67
Other Expenses	25	45,017.44	40,056.12
Total Expenses		172,617.41	173,239.41
V. Profit Before Tax (III-IV)		15,328.97	6,051.47
VI. Tax Expense:			
Current Tax		5,575.00	2,435.00
Deferred Tax		(629.18)	(632.80)
Tax for earlier years		(5.61)	3.16
VII. Profit for the year (V-VI)		10,388.76	4,246.11
VIII. Earnings per equity share of ₹ 10 each (Previous Year ₹ 10 each)	39		
(1) Basic (in ₹)		69.62	28.45
(2) Diluted (in ₹)		69.62	28.45
Weighted average number of equity shares outstanding		14,922,525	14,922,525
Significant accounting policies	26		

The notes referred to above form an integral part of the financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

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Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31ST MARCH, 2016

	Year ended 31st March, 2016	Year ended 31st March, 2015
		(₹ in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	15,328.97	6,051.47
Adjustments for :		
Depreciation and Amortisation	5,262.57	5,375.67
Loss on Fixed Assets sold / discarded (Net)	247.91	238.75
Finance Costs	2,039.17	3,197.56
Provision for doubtful debts and advances	185.14	66.50
Bad Debts Written off / (Back)	122.02	151.23
Provision for Wealth Tax	0.53	6.20
Interest Income	(226.59)	(203.25)
Provision for Rent Equalisation	2.68	177.68
Dividend Income	(669.64)	(181.45)
Unrealised foreign currency Loss	(11.83)	15.03
	6,951.96	8,843.92
Operating Profit before Working Capital changes	22,280.93	14,895.39
Adjustments for :		
(Increase) in Trade Receivables	(2,907.03)	(1,865.70)
Decrease in Other Receivables	466.01	301.66
(Increase) / Decrease in Inventories	(1,676.45)	2,409.55
Increase in Trade Payables	1,205.43	357.16
Increase in Other Liabilities & Provisions	1,937.98	1,482.71
	(974.06)	2,685.38
Direct Taxes Paid (Net of Refund)	(4,643.59)	(2,378.56)
	(4,643.59)	(2,378.56)
Net Cash inflow from Operating Activities (A)	16,663.28	15,202.21
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets, Capital Work in Progress and Capital Advances	(3,857.95)	(1,584.68)
Sale of Fixed Assets	300.52	167.33
Dividend received from Subsidiary	669.64	189.61
Interest Received	226.30	223.20
Investments (made) / Encashed during the period (net)	(5.30)	181.17
Net Cash (Outflow) from Investing Activities (B)	(2,666.79)	(823.37)

CASH FLOW STATEMENT (CONTD.) FOR THE YEAR ENDED ENDED 31ST MARCH 2016

(₹ in lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Long Term Borrowings	(5,154.94)	(6,190.00)
(Repayment) of Short Term Borrowings [Net]	(5,079.17)	(5,075.28)
Changes in External Commercial Borrowing pending utilisation [Net]	-	360.00
Interest Received on Pending External Commercial Borrowings utilization	-	2.81
Finance Cost	(2,066.96)	(3,229.83)
Dividend paid (including tax on dividend)	(1,758.50)	(689.37)
Net Cash (Outflow) from Financing Activities (C)	(14,059.57)	(14,821.67)
Net (Decrease) in Cash and Cash Equivalents (A + B + C)	(63.08)	(442.83)
Cash and Cash Equivalents as at the beginning of the period	792.84	1,235.67
Cash and Cash Equivalents as at the end of the period	729.76	792.84
Net (Decrease) in Cash and Cash Equivalents	(63.08)	(442.83)

Notes to the cash flow statement

1. Components of cash and cash equivalents

	Year ended on 31st March, 2016	Year ended on 31st March, 2015
(a) Cash on Hand	197.44	186.52
(b) Cheques on Hand	306.10	379.37
(c) Balance in Current Accounts	223.63	226.95
(d) Bank Deposits with less than 3 months maturity	2.59	-
Cash and cash equivalents	729.76	792.84

2. The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountant of India.

3. Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For **VORA & ASSOCIATES**

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Notes to the financial statements as at 31st March, 2016

	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
1 Share Capital		
Authorised		
22,000,000 (Previous Year 22,000,000) Equity Shares of ₹10/- each	2,200.00	2,200.00
3,000,000 (Previous Year 3,000,000) Preference Shares of ₹ 10/- each	300.00	300.00
	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed and Fully Paid-up		
1,49,22,525 Equity Shares of ₹ 10/- each (Previous Year 1,49,22,525 Equity Shares of ₹ 10/- each) (Refer Note 29)	1,492.25	1,492.25
TOTAL	<u>1,492.25</u>	<u>1,492.25</u>
2 Reserves and Surplus		
a. Capital Reserve		
At the commencement and at the end of the year	1,115.16	1,115.16
b. Securities Premium Reserve		
At the commencement and at the end of the year	6,448.96	6,448.96
c. Cash Flow Hedge Reserve		
At the commencement of the year	(20.05)	94.81
Add : Net gain recognised on cash flow hedge (Refer Note 31)	6.87	(114.86)
	<u>(13.18)</u>	<u>(20.05)</u>
d. General Reserve		
At the commencement of the year	20,000.00	19,500.00
Add: Transferred from Surplus	5,000.00	890.32
Less: Depreciation for change in Useful Life (Refer Note 10)	-	589.27
Add : Deferred Tax Assets on Additional Depreciation (Refer Note 10)	-	198.95
	<u>25,000.00</u>	<u>20,000.00</u>
e. Surplus (Profit and Loss)		
At the commencement of the year	20,207.18	17,623.52
Add : Net Profit for the year	10,388.76	4,246.11
Appropriations		
Proposed Equity Dividend [Dividend for current year ₹ Nil Per Share (Previous Year ₹4.50 per share)]	-	(671.51)
Interim Dividend	(1,044.58)	-
Tax on Proposed Dividend / Interim Dividend	(96.30)	(100.62)
Transfer to General Reserve	(5,000.00)	(890.32)
	<u>24,455.06</u>	<u>20,207.18</u>
TOTAL	<u>57,006.00</u>	<u>47,751.25</u>
3 Long Term Borrowings		
Secured (For Security and terms of repayment : Refer Note 30)		
Term Loan from Banks		
(i) Rupee Loans	-	969.01
(ii) Foreign Currency Loans	879.21	3,425.15
TOTAL	<u>879.21</u>	<u>4,394.16</u>
	* 2,176.43	* 3,784.74
* Current maturities of Long Term Borrowings disclosed under Other Current Liabilities : Refer Note 8		

		(₹ in lacs)	
		As at 31st March, 2016	As at 31st March, 2015
4	Deferred Tax Liabilities (Net)		
	Major components of deferred tax assets and liabilities arising on account of timing differences are:		
	Deferred Tax Liabilities :		
	Depreciation and Amortisation	1,352.49	1,894.29
	Allowances under Income Tax Act	83.29	154.72
		1,435.78	2,049.01
	Deferred Tax Assets :		
	Disallowances under Income Tax Act	311.88	356.02
	Provision for Doubtful Debts	175.28	115.19
		487.16	471.21
	Deferred Tax Liabilities (Net)	948.62	1,577.80
	Tax in respect of earlier years includes deferred tax charge of ₹ Nil (Previous Year ₹ 20.90 lacs)		
5	Other Long-Term Liabilities		
	(a) Security Deposits Received	3,826.38	3,529.76
	(b) Rent Equalisation	180.36	177.68
	Total	4,006.74	3,707.44
6	Long-Term Provisions		
	Provision For Employee Benefits (Refer Note 37)		
	(a) Gratuity	83.39	320.71
	(b) Compensated Absences	416.22	375.31
	Total	499.61	696.02
7	Short-Term Borrowings		
	Secured Loans (For Security and terms of repayment : Refer Note 30)		
	Working Capital Loan From Banks		
	Rupee Loans	7,444.72	12,523.90
	Total	7,444.72	12,523.90
8	Other Current Liabilities		
	(a) Current maturities of long-term debt		
	(i) Rupee Loans	-	1,584.44
	(ii) Foreign Currency Loans	2,176.43	2,200.30
	(b) Interest accrued but not due on borrowings	18.54	46.33
	(c) Unclaimed Dividend (Refer Note below)	176.62	22.11
	(d) Advances Received from Customers	1,677.38	2,087.34
	(e) Employee Benefits Payable	2,167.19	583.27
	(f) Capital Creditors	254.98	184.76
	(g) Other Payables		
	(a) Statutory Dues :		
	(i) Sales Tax	1,454.62	1,062.38
	(ii) Excise and Service Tax	23.39	19.34
	(iii) Tax Deducted at Source	262.99	186.55
	(iv) Provident Fund, Employee's State Insurance Corporation	48.43	64.27
		1,789.43	1,332.54
	(b) Others	36.40	40.96
	Total	8,296.97	8,082.05

Note : There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
9 Short-Term Provisions		
(a) Provision for Employee Benefits (Refer Note 37)		
(i) Gratuity	111.81	91.37
(ii) Compensated Absences	312.39	248.15
	424.20	339.52
(b) Others Provisions		
(i) Provision For Excise Duty on Closing Stock	1,012.75	706.65
(ii) Provision For Product Warranties (Refer Note 28)	514.62	465.95
(iii) Provision For Wealth Tax	-	6.29
(iv) Proposed Equity Dividend	-	671.51
(v) Tax on Proposed Equity Dividend	-	100.62
(vi) Provision for Tax (Net of advance tax)	376.09	-
(vii) Provision Others (Refer Note 28)	75.00	-
Total	2,402.66	2,290.54

10 Fixed Assets**Tangible Fixed Assets :**

(₹ in lacs)

	Freehold Land	Leasehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Lease Equipments	Leasehold Improvements	Total
Gross Block :										
Balance as at 1st April, 2014	1,131.70	224.72	13,765.63	40,647.90	4,387.16	1,519.75	3,665.54	318.46	3,116.57	68,777.43
Additions	-	-	102.59	818.81	141.79	7.56	234.03	-	167.59	1,472.37
Disposals	-	-	7.18	905.22	26.43	165.79	245.23	-	259.18	1,609.03
Balance as at 31st March, 2015	1,131.70	224.72	13,861.04	40,561.49	4,502.52	1,361.52	3,654.34	318.46	3,024.98	68,640.77
Balance as at 1st April, 2015	1,131.70	224.72	13,861.04	40,561.49	4,502.52	1,361.52	3,654.34	318.46	3,024.98	68,640.77
Additions	-	-	42.20	2,778.85	84.78	2.56	194.14	-	10.17	3,112.70
Adjustments	-	(28.89)	(152.55)	(12.62)	1.22	-	16.50	-	176.34	-
Disposals	-	-	49.37	1,050.44	57.09	363.66	322.40	-	173.62	2,016.58
Balance as at 31st March, 2016	1,131.70	195.83	13,701.32	42,277.28	4,531.43	1,000.42	3,542.58	318.46	3,037.87	69,736.89
Depreciation :										
Balance as at 1st April, 2014	-	29.16	3,456.16	27,708.01	1,438.67	569.47	1,830.62	67.99	820.96	35,921.04
Depreciation for the year	-	2.50	459.28	2,756.36	556.86	199.21	637.75	56.21	498.94	5,167.11
Adjustments : Refer Note d	-	-	72.14	30.09	66.50	0.85	419.69	-	-	589.27
Disposals / Adjustments	-	-	7.18	786.82	16.43	79.04	204.94	-	108.52	1,202.93
Balance as at 31st March, 2015	-	31.66	3,980.40	29,707.64	2,045.60	690.49	2,683.12	124.20	1,211.38	40,474.49
Balance as at 1st April, 2015	-	31.66	3,980.40	29,707.64	2,045.60	690.49	2,683.12	124.20	1,211.38	40,474.49
Depreciation for the year	-	2.50	455.89	2,714.64	610.87	155.84	452.95	52.95	681.80	5,127.44
Adjustments	-	(3.09)	(38.34)	(4.97)	1.15	-	6.62	-	38.63	-
Disposals / Adjustments	-	-	6.72	780.01	47.50	202.73	318.24	-	112.99	1,468.19
Balance as at 31st March, 2016	-	31.07	4,391.23	31,637.30	2,610.12	643.60	2,824.45	177.15	1,818.82	44,133.74
Net Block :										
As at 31st March, 2015	1,131.70	193.06	9,880.64	10,853.85	2,456.92	671.03	971.22	194.26	1,813.60	28,166.28
As at 31st March, 2016	1,131.70	164.76	9,310.09	10,639.98	1,921.31	356.82	718.13	141.31	1,219.05	25,603.15

Notes :-

- (a) Leasehold land acquisition value includes ₹ 0.01 lac (Previous Year ₹ 0.01 lac) paid by way of subscription of shares for membership of co-operative housing society.
- (b) Pending completion of the relevant formalities for the transfer/ conveyance of freehold land and buildings having Gross block value ₹ 375.91 lacs and Net block value ₹ 301.85 lacs which vested in the name of Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
- (c) The foreign exchange fluctuation on outstanding foreign currency loan has been accounted for as per Accounting Standard (AS 11) as amended vide Notification dated 29th December, 2011 with further clarification note dated 9th August, 2012 issued by the Ministry of Corporate Affairs, Government of India. Consequently, an amount of ₹ 83.14 lacs (Previous Year ₹ 144.27 lacs) is capitalized as cost of fixed assets. The Company has provided additional amount of depreciation of ₹ 176.78 lacs (Previous Year ₹ 185.84 lacs) on such costs.
- (d) Schedule II of the Companies Act, 2013 ('the Act'), which prescribes useful lives of the fixed assets, was effective from 1st April, 2014. Consequently, based on the technical evaluation, the Company has reassessed the useful lives of its fixed assets. For certain class of assets the useful lives as prescribed in Schedule II and for other classes of assets, the useful lives are different from those prescribed in Schedule II. Consequent to the reduction in the useful lives, based on transitional provision given in Schedule II, ₹ 390.32 lacs (net of deferred tax impact of ₹ 198.95 lacs) has been adjusted against opening balance in general reserves in the previous year. Had the Company continued with previously assessed useful lives, depreciation charge for the previous year would have been lower by ₹ 879.83 lacs.

10 Fixed Assets (Continued)

(₹ in lacs)

Intangible Fixed Assets :

	Models, Designs and Commercial rights	Computer Software	Total
Gross Block :			
Balance as at 1st April, 2014	2,012.52	931.31	2,943.83
Additions	-	8.29	8.29
Disposals	-	-	-
Balance as at 31st March, 2015	2,012.52	939.60	2,952.12
Balance as at 1st April, 2015	2,012.52	939.60	2,952.12
Additions	-	25.20	25.20
Disposals	-	-	-
Balance as at 31st March, 2016	2,012.52	964.80	2,977.32
Depreciation :			
Balance as at 1st April, 2014	2,012.52	529.74	2,542.26
Depreciation for the year	-	208.56	208.56
Disposals / Adjustments	-	-	-
Balance as at 31st March, 2015	2,012.52	738.30	2,750.82
Balance as at 1st April, 2015	2,012.52	738.30	2,750.82
Depreciation for the year	-	135.13	135.13
Adjustments	-	-	-
Disposals / Adjustments	-	-	-
Balance as at 31st March, 2016	2,012.52	873.43	2,885.95
Net Block :			
As at 31st March, 2015	-	201.30	201.30
As at 31st March, 2016	-	91.37	91.37

	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
11 Non-Current Investments		
(Valued at cost unless stated otherwise)		
Trade investments (Unquoted)		
(I) Investment in Equity instruments		
(a) Investment in Subsidiary Companies		
(i) 1,520,000 (Previous Year 1,520,000) Equity Shares of SLR 10/- each of Nilkamal Eswaran Plastics Pvt. Ltd., Srilanka, fully paid up	93.62	93.62
(ii) 1 (Previous Year 1) Equity share of DHS 185,000/- each of Nilkamal Crates and Bins, FZE, fully paid up	19.65	19.65
(b) Investments in Joint Ventures		
(i) 2,220,000 (Previous Year 2,220,000) Equity Shares of ₹ 10/ each of Nilkamal Bito Storage Systems Pvt Ltd., fully paid up	2,215.50	2,215.50
(ii) 105,000 (Previous Year 105,000) Equity Shares of ₹ 10/- each of Cambro Nilkamal Pvt Ltd., fully paid up	200.50	200.50
(c) Investments - Others		
168,438 (Previous Year 140,526) Equity Shares of ₹ 10/ each of Beta Wind Farm Pvt. Ltd. fully paid up	32.00	26.70
(II) Other Non-current Investments (Unquoted)		
Investment in Government Securities		
National Savings Certificates (Pledged with Government Authorities)	0.32	0.32
Total	2,561.59	2,556.29
Aggregate amount of unquoted non current investments	2,561.59	2,556.29
12 Long-Term Loans and Advances		
Unsecured, Considered good		
(a) To parties other than related parties :		
(i) Capital Advances	563.47	88.42
(ii) Security Deposits	1,910.62	1,905.63
(iii) Deposit with Government Authorities	1,043.04	1,077.93
(iv) Other Loans and Advances (Considered Good)	422.48	526.53
(v) Taxes paid in advance (Net of provisions)	-	545.58
(b) To related parties :		
(i) Deposit with related party (Refer Note 35)	723.00	723.00
Derivative Asset	388.14	349.59
Total	5,050.75	5,216.68
13 Other Non-Current Assets		
Bank Deposits (Maturity after 12 months from the reporting date)	74.15	107.11
Total	74.15	107.11

	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
14 Inventories		
(Valued at the lower of cost and net realisable value)		
(a) Raw Material (including Goods in transit ₹ 1,180.69 lacs (Previous Year ₹ 535.78 lacs))	5,430.34	5,309.69
(b) Work-in-Progress	2,481.24	2,183.01
(c) Finished Goods (Refer Note 33)	8,291.13	6,755.73
(d) Stock in Trade (including Goods in transit ₹ 277.18 lacs (Previous Year ₹ 171.72 lacs)) (Refer Note 33)	11,328.38	11,350.01
(e) Stores and Spares	1,839.38	1,747.73
(f) Packing Material	278.97	320.73
Total	29,649.44	27,666.90
15 Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
(a) Secured, Considered good	23.90	65.01
(b) Unsecured, Considered good	965.95	772.09
(c) Unsecured Considered Doubtful	525.32	340.18
Less: Provision for Doubtful Receivables	(525.32)	(340.18)
	989.85	837.10
Trade receivables outstanding for a period less than six months from the date they are due for payment		
(a) Secured, Considered good	2,793.69	2,399.88
(b) Unsecured, Considered good	21,975.29	19,649.92
	24,768.98	22,049.80
Total	25,758.83	22,886.90
Trade receivables (unsecured considered good) includes ₹ 266.62 lacs (Previous Year ₹ 331.65 lacs) due from companies in which director(s) or other officers of the company or any of them either severally or jointly with any other person is a director.		
16 Cash and Bank Balances		
I. Cash and Cash Equivalents		
(a) Cash on Hand	197.44	186.52
(b) Cheques on Hand	306.10	379.37
(c) Balance with Banks in Current Accounts	223.63	226.95
(d) Bank Deposits with less than 3 months maturity	2.59	-
	729.16	792.84
II. Other Bank Balances		
(a) Earmarked Balance with Banks (Unclaimed Dividend)	176.62	22.11
(b) Bank Deposits with 3-12 months maturity	116.93	5.31
(c) Bank Deposits with initial period of more than 12 months maturity and due to mature with in 12 months of reporting date	71.89	-
	365.44	27.42
Total	1,095.20	820.26

	As at 31st March, 2016	(₹ in lacs) As at 31st March, 2015
17 Short-Term Loans and Advances		
Unsecured		
To parties other than related parties :		
(a) Security Deposits		
(i) Considered good	564.91	582.11
(ii) Considered Doubtful	52.05	52.05
Less: Provision for Doubtful Deposits	<u>(52.05)</u>	<u>(52.05)</u>
	564.91	582.11
(b) Other Loans and Advances		
(i) Advance to Vendors	1,148.36	1,278.83
(ii) Balances with Excise Department	868.07	843.49
(iii) Taxes paid in advance (net of Provisions)	0.77	4.90
(iv) Prepaid expenses	362.32	366.81
(v) Other expenses	<u>216.32</u>	<u>521.46</u>
	2,595.84	3,015.49
Total	<u>3,160.75</u>	<u>3,597.60</u>
18 Other Current Assets		
Unsecured, considered good		
(a) Due from Related parties (Refer Note 35)	26.32	25.72
(b) Interest Receivable	1.09	0.80
(c) Other Receivables	<u>194.54</u>	<u>397.69</u>
Total	<u>221.95</u>	<u>424.21</u>
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
19 Revenue from Operations (Gross) (Refer Note 33 (a))		
(a) Sale of Products (Gross)		
(i) Local	190,472.90	184,561.30
(ii) Export [Including Deemed Exports of ₹ 1,850.52 Lacs, (Previous Year ₹ 1,505.96 lacs)]	<u>8,468.02</u>	<u>5,385.56</u>
	198,940.92	189,946.86
Less : Excise Duty	<u>13,349.49</u>	<u>12,605.09</u>
Sale of Products (Net)	<u>185,591.43</u>	<u>177,341.77</u>
(b) Sale of Services	422.42	457.86
(c) Other Operating Revenue		
(i) Sale of Scrap	347.08	397.25
(ii) Technical and Management Fees	658.02	455.05
(iii) Others	<u>7.92</u>	<u>13.99</u>
Revenue from Operations (Net)	<u>187,026.87</u>	<u>178,665.92</u>
20 Other Income		
(a) Income	226.59	203.25
(b) Dividend Income from Subsidiary Companies and Joint Ventures	669.64	181.45
(c) Keyman Policy Refund	-	216.80
(d) Foreign Exchange Gain (Net)	<u>23.28</u>	<u>23.46</u>
Total	<u>919.51</u>	<u>624.96</u>

	For the year ended 31st March, 2016	(₹ in lacs) For the year ended 31st March, 2015
21 Cost of Materials Consumed (Refer Notes 33 (d) and (e))		
Opening Stock of Raw Materials	5,309.69	6,128.14
Add : Purchases	64,902.08	68,214.69
Less : Closing Stock of Raw Materials	5,430.34	5,309.69
Total	64,781.43	69,033.14
22 Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods (Refer note 33(c))		
Opening Stock		
Work in Progress	2,183.01	2,548.32
Finished Goods	6,755.73	7,695.37
Stock in Trade	11,350.01	11,425.99
	20,288.75	21,669.68
Closing Stock		
Work in Progress	2,481.24	2,183.01
Finished Goods	8,291.13	6,755.73
Stock in Trade	11,328.38	11,350.01
	22,100.75	20,288.75
Add : Variation in Excise Duty on Opening and Closing stock of Finished Goods	358.44	117.69
Total	(1,453.56)	1,498.62
23 Employee Benefits Expense		
(a) Salary, Wages and Bonus (Net)	12,100.69	10,046.94
(b) Contribution to Provident and Other funds	446.26	356.72
(c) Workmen and Staff Welfare Expenses	933.02	889.85
Total	13,479.97	11,293.51
24 Finance Costs		
(a) Interest on Term Loans	430.57	1,036.21
(b) Interest Paid to Banks	877.66	1,491.36
(c) Other Interest	424.24	358.40
(d) Other Borrowing Costs	52.39	68.22
Total	1,784.86	2,954.19

	For the year ended 31st March, 2016	(₹ in lacs) For the year ended 31st March, 2015
25 Other Expenses		
(a) Stores, Spare Parts Consumed (Refer Note 33 (f))	2,877.87	2,314.70
(b) Power and Fuel	4,066.02	4,088.51
(c) Repairs :		
(i) Building	64.86	63.45
(ii) Machinery	220.06	275.07
(ii) Others	1,031.69	801.86
(d) Labour Charges	7,214.13	5,991.61
(e) Rent	4,547.95	4,560.92
(f) Rates and Taxes	325.95	263.31
(g) Insurance	266.77	209.97
(h) Postage and Telephone Expenses	537.46	413.09
(i) Loss on Fixed Assets Sold / Discarded (Net)	247.91	238.75
(j) Packing Material Consumed	1,927.48	1,783.77
(k) Travelling Expenses	1,467.81	1,274.00
(l) Commission	1,100.26	715.94
(m) Advertisements and Sales Promotion Expense	2,875.65	2,419.26
(n) Computer Expenses	550.01	540.46
(o) Transportation Cost (Net)	9,848.37	8,836.47
(p) Board Meeting Fees	25.20	14.00
(q) Provision for Wealth Tax	0.53	6.20
(r) Bad Debts written off	122.02	151.23
(s) Provision for Doubtful Debts and Advances	185.14	66.50
(t) Corporate Social Responsibility Expenses (Refer Note 41)	199.07	-
(u) Cash Discounts	299.04	280.26
(v) Payment to Auditors		
- Audit Fees	27.00	24.00
- For Other Services	18.47	12.49
- Reimbursement of Expenses	1.67	1.66
(w) Bank Charges	254.31	243.37
(x) Sundry Expenses	4,714.74	4,465.27
Total	45,017.44	40,056.12

26 Significant accounting policies**(a) Basis of preparation of Financial Statements:**

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent applicable. All figures, unless otherwise stated, are Rupees in lacs.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities including disclosure of contingent liabilities as on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known /materialised. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Fixed Assets:**Tangible Fixed Assets**

Fixed assets are recorded at cost of acquisition or construction, net of tax credit wherever eligible. Cost includes all direct expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Fixed assets, which are not in use or are held for disposal, are stated at cost less accumulated depreciation or at net realisable value, whichever is lower.

Intangible Fixed Assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Intangible assets are amortised in the Statement of Profit and Loss over the estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

(d) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceed its recoverable value. Recoverable value is greater of the net selling price and the value in use. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(e) Depreciation and Amortisation:

- (i) Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;
- (ii) Cost of leasehold land is amortised over the period of lease;
- (iii) Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- (iv) Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- (v) (a) Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

(b) Models, Designs and other Commercial rights (intangible assets) are amortised on a straight-line basis over a period of 60 months from the date of its put to use or based on the management's estimate of useful life over which the economic benefits will be derived.

(vi) Individual assets except assets given on lease acquired for less than ₹5,000/- are depreciated entirely in the year of acquisition.

(f) Investments:

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long term investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost less provision, if any, for other than temporary diminution in value.

(g) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

(h) Employee Benefits:

Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation at the end of each year, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other Long Term Employee Benefits

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(i) Derivative financial instruments and hedge accounting

The Company has adopted the principles for accounting of derivative instruments and hedge accounting as set out in Accounting Standard 30 (AS 30), "Financial Instruments: Recognition and Measurement" and to the extent it does not contradict any of the provisions of any of the notified accounting standards. The Company uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments, other than those which are accounted under the provisions of Accounting Standard 11, "Foreign Currency Transactions", are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in shareholder's funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to Statement of Profit and Loss for the year.

(j) Foreign Exchange Transactions:

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary items in the form of current assets, current liabilities and loans in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

With effect from financial year 2011-12, exchange differences, in respect of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, and in other cases, are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the enterprise's financial statements and amortized over the balance period of such long-term asset/liability but not beyond the accounting period ending on or before 31st March, 2020.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

In respect of Forward Exchange contracts entered into to hedge foreign currency risks of an on-balance sheet foreign currency denominated asset or liability, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or Loss on cancellations / renewals of forward contracts is recognised during the year. In case of forward contracts against highly probable forecast transaction, mark to market loss, if any, is charged to Statement of Profit and Loss.

(k) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred. Qualifying assets, are assets which necessarily take a substantial period of time to get ready for their intended use.

(l) Recognition of Income and Expenditure:

- (i) Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership, which is generally on the dispatch of goods. Gross sales are inclusive of excise duty, sales tax, but are net of trade discounts and sales returns.
- (ii) Income from Services is recognised on completion of service.
- (iii) Revenue/Income and Cost/Expenditure are accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- (iv) Benefit on account of entitlement to import duty-free raw materials under advance license is estimated and accounted in the year of export as an adjustment to raw material consumption, provided there is a reasonable degree of certainty with regard to its ultimate realisation.

- (v) Liability for excise duty payable on stock in bonded warehouse at the year-end is provided for.
- (vi) Dividend income and keyman insurance policy refund is recognised when the right to receive the income is established.
- (vii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- (viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Company.

(m) Assets taken on Lease:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rent is amortised over the period of lease on straight line basis and recognised in the Statement of Profit and Loss on accrual basis.

Assets acquired on finance lease are capitalised at their fair market value on the date of acquisition and a corresponding lease liability is created for the same.

(n) Assets given on Lease:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

(o) Taxation:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations where there are carried forward losses and unabsorbed depreciation as per the Income Tax Act, 1961, of India, deferred tax assets are recognised only when there is virtual certainty supported by convincing evidence that such assets can be realised against future taxable profits. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realization. Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(p) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of contribution towards the Company's total capital outlay are credited to Capital Reserve. Revenue grants are recognized in the Statement of Profit and Loss as an adjustment to the respective expense in accordance with the related scheme and the period in which these are accrued.

(q) Provisions, Contingent Assets and Contingent Liabilities:

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and in respect of which reliable estimate can be made. At each Balance Sheet date, the carrying value of provisions is reviewed and adjusted to reflect the best current estimate. Contingent liabilities are not recognized but disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

27. Contingent Liabilities and commitments to the extent not provided for in respect of:**(a) Contingent liabilities :-**

(₹ in lacs)

	Particulars	31st March, 2016	31st March, 2015
i)	Excise and Service Tax matters	203.26	190.88
ii)	Sales Tax matters *	1,918.38	1,616.48
iii)	Income Tax matters	4.16	4.16
iv)	On account of Cross Subsidy Surcharge on electricity	9.38	9.38

* Includes ₹ 972.61 lacs (Previous Year ₹ 972.61 lacs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable

Supreme Court of India.

Note: The Excise and Service Tax, Sales Tax and Income Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 939.37 lacs (Previous Year ₹ 292.33 lacs).

28. Provision for warranty and other provisions:

(₹ in Lacs)

	2015-16		2014-15	
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	465.95	-	365.84	-
Additions	582.10	75.00	427.54	-
Utilisations / Reversals	533.43	-	327.43	-
Closing Balance	514.62	75.00	465.95	-

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

29. Share capital

(a) Rights, preferences and restrictions attached to Equity Shares: The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Vamanrai V. Parekh	1,795,462	12.03%	1,795,462	12.03%
Nilkamal Builders Private Limited	1,464,000	9.81%	1,464,000	9.81%
Sharad V. Parekh	1,292,908	8.66%	1,292,908	8.66%
Hiten V. Parekh	1,209,962	8.11%	1,209,962	8.11%
Nayan S. Parekh	1,201,473	8.05%	1,201,473	8.05%
Heirloom Finance Private Limited	912,000	6.11%	912,000	6.11%
Manish V. Parekh	814,415	5.45%	814,415	5.45%

(c) Reconciliation of number of equity shares outstanding as on beginning and closing of the year

Particulars	2015-16		2014-15	
	Number	₹ in Lacs	Number	₹ in Lacs
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

30. Borrowings:**(A) Secured loans:****(a) Working Capital loans :**

Working capital facilities of ₹ 7,444.72 lacs (Previous Year ₹ 12,523.90 lacs) from banks are secured on first pari passu basis by way of hypothecation of current assets of the Company, second pari passu charge by way of equitable mortgage on the Company's immovable property and personal guarantee of Director/s. Working Capital Loans are repayable on Demand having Interest Rate from 9.30% p.a to 10.50% p.a (Previous Year 9.95% p.a to 12.50% p.a)

(b) Term Loans:

Term loans of ₹ 3,055.64 lacs (Previous Year ₹ 8,178.90 lacs) from the Banks are secured on first pari passu basis by way of Equitable mortgage created on Company's immovable properties situated at Sinnar (Maharashtra), Barjora (West Bengal), Noida (Uttar Pradesh), Vasona (UT of D & NH), Puducherry (UT), Kharadpada (UT of D & NH), Jammu (Jammu & Kashmir), Hosur (Tamil Nadu) together with all building and structures thereon and all Plant and Machinery, second pari passu charge by way of hypothecation of current assets of the Company. Also personal guarantee of a Director had been provided for the Term loans, except for a foreign currency loan of ₹ 3,055.64 lacs (Previous Year ₹ 5,625.45 lacs).

(c) Terms of Repayment**(i) Rupee Term loans**

Rupee Term Loans were repayable in equal quarterly Installments, last installments due for various draw downs from October 2015 to March 2016 as per repayment schedules, having Interest rate from 11.60% p.a to 12.25% p.a (Previous Year 11.50% p.a to 14.00% p.a) which are reset periodically.

(ii) Foreign Currency loans

Foreign Currency loans are repayable in equal quarterly/half yearly installments, last installments due on March, 2018 as per repayment schedules, having interest rate from 3 month LIBOR + 1.50% p.a to 2.50% p.a which are reset periodically.

(B) Commercial Paper balance outstanding at year end ₹ Nil (Previous Year ₹ Nil). Maximum balance outstanding during the year ₹ 5,000 Lacs (Previous Year ₹ 3,000 Lacs).

31. Cross Currency Interest Rate Swap:

The Company has adopted the principles of hedge accounting as set out in Accounting Standard (AS 30) on 'Financial Instruments: Recognition and Measurement', in respect of Cross Currency Interest Rate Swap (CCIRS) to hedge its foreign currency risk and interest rate risk, which are not covered by the requirements of Accounting Standard (AS 11) 'The Effects of Changes in Foreign Exchange Rates'. Accordingly ₹ 13.18 Lacs (Previous Year ₹ 20.05 Lacs) being difference arising on fair valuation of outstanding derivatives as on 31st March, 2016 is disclosed in Cash Flow Hedge Reserve in the balance sheet.

32. Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	31st March, 2016	31st March, 2015
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

33. (a) Revenue from Operations (Net):- (₹ in lacs)

	Particulars	2015-16	2014-15
	Details of Turnover of Goods		
(a)	Finished Goods		
	(i) Moulded Plastics Articles	115,175.43	112,472.33
	(ii) Others	2,869.99	3,301.27
(b)	Traded Goods		
	(i) Moulded Plastics Articles	43,645.10	39,628.39
	(ii) Readymade Home Furniture, Furnishing, Accessories and Others	23,788.19	21,732.74
	(iii) Others	112.72	207.04
	Total	185,591.43	177,341.77

(b) Details of Purchases of Stock in Trade:- (₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Moulded Plastics Articles	30,689.96	30,547.95
(ii)	Readymade Home Furniture, Furnishing, Accessories and Others	12,955.74	12,399.37
(iii)	Others	99.00	80.84
	Total	43,744.70	43,028.16

(c) Details of Closing Stock :- (₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Finished Goods		
	(i) Moulded Plastics Articles	7,961.48	6,361.21
	(ii) Others	329.65	394.52
(b)	Traded Goods		
	(i) Moulded Plastics Articles and Others	5,715.25	5,208.70
	(ii) Readymade Home Furniture, Furnishing, Accessories and Others	5,582.87	6,098.90
	(iii) Others	30.26	42.41
	Total	19,619.51	18,105.74

(d) Details of Raw Material Consumed:- (₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Polyethylene	35,165.39	38,082.17
(ii)	Polypropylene	22,966.95	23,724.55
(ii)	Others	6,649.09	7,226.42
	Total	64,781.43	69,033.14

(e) Details of Imported and Indigenous Raw Material Consumed:

	Particulars	2015-16		2014-15	
		₹ in lacs	%	₹ in lacs	%
(i)	Imported	5,825.93	8.99	9,246.99	13.40
(ii)	Indigenous	58,955.50	91.01	59,786.15	86.60
	Total	64,781.43	100.00	69,033.14	100.00

(f) Details of Imported and Indigenous Stores and Spares Consumed:

	Particulars	2015-16		2014-15	
		₹ in lacs	%	₹ in lacs	%
(i)	Imported	139.11	4.83	55.76	2.41
(ii)	Indigenous	2,738.76	95.17	2,258.94	97.59
	Total	2,877.87	100.00	2,314.70	100.00

(g) Earnings in Foreign Currency :-

- (i) FOB Value of exports ₹ 5,168.37 lacs (Previous year ₹ 5,145.12 lacs).
(ii) Technical and Management Fees from Subsidiaries ₹ 36.34 lacs (Previous Year ₹ 31.83 lacs).
(iii) Income earned from export of services ₹ 44.07 lacs (Previous Year ₹ 49.04 lacs).
(iv) Dividend Received from Subsidiaries ₹ 571.54 lacs (Previous Year ₹ 177.25 lacs).
(v) Lease Rent Received from Subsidiary ₹ 5.64 lacs (Previous Year ₹ 13.08 lacs).
(vi) Sale of Fixed Assets to Subsidiary ₹ 10.46 lacs (Previous Year ₹ 51.37 lacs)

(h) CIF Value of Imports:-

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Capital Goods	1,938.68	217.28
(b)	Raw Material	5,200.22	8,517.66
(c)	Traded Goods	11,375.06	9,106.45
(d)	Stores, Spares etc	432.66	289.42
	Total	18,946.62	18,130.81

(i) Expenditure in Foreign Currency:-

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Travelling Expenses	46.60	118.28
(b)	Interest	368.54	537.86
(c)	Legal and Professional Charges	55.97	75.71
(d)	Others	286.73	157.58
	Total	757.84	889.43

34. Disclosure in respect of derivative instruments:-**(a) Derivatives contracts entered by the Company and outstanding as at year end :-**

(In lacs)

Particulars	Currency	2015-16		2014-15	
		Forward	Swap	Forward	Swap
Cross Currency Interest Rate Swap	USD	-	46.12	-	72.67
	₹	-	3,055.64	-	4,542.03
Imports Forward Contracts	USD	25.75	-	11.50	-
	₹	1,756.52	-	727.47	-
	EURO	1.59	-	1.40	-
	₹	118.99	-	108.48	-

(b) All derivative and financial instruments entered into by the Company are for hedging purpose only.**(c) Foreign currency exposure that are not hedged by derivative instruments as at year end.**

(In lacs)

Particulars	Currency	2015-16	2014-15
Receivables	USD	18.96	14.06
	₹	1,266.03	879.54
	EURO	1.47	0.84
	₹	111.14	56.20
	GBP	0.21	0.03
	₹	19.97	3.14
Payables	SGD	-	0.10
	₹	-	4.51
	JPY	-	0.04
	₹	-	2.33
	USD	17.20	8.57
	₹	1,139.61	535.51
	EURO	2.32	0.54
	₹	175.17	36.45
	SGD	-	0.08
	₹	-	3.65

Particulars	Currency	2015-16	2014-15
	JPY	11.04	6.08
	₹	6.51	3.16
Loan Taken	USD	-	17.33
	₹	-	1,083.42
Cash and Bank Balances	USD	0.03	-
	₹	1.90	-

35. Related Party Disclosures:

Names of related parties and description of relationship

- (i) Foreign Subsidiaries where control exists
 - Nilkamal Eswaran Plastics Pvt. Ltd.
 - Nilkamal Eswaran Marketing Pvt. Ltd.
 - Nilkamal Crates and Bins, FZE.
- (ii) Joint Ventures
 - Nilkamal Bito Storage Systems Pvt. Ltd.
 - Cambro Nilkamal Pvt. Ltd.
- (iii) Key Management Personnel
 - Mr. Vamanrai V. Parekh, Chairman
 - Mr. Sharad V. Parekh, Managing Director
 - Mr. Hiten V. Parekh, Joint Managing Director
 - Mr. Manish V. Parekh, President and Executive Director – Furniture
 - Mr. Nayan S. Parekh, President and Executive Director – Material Handling
- (iv) Relatives of Key Management Personnel
 - Mrs. Dhruvi Nakul Kumar
 - Mr. Mihir H. Parekh
- (v) Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place
 - Nilkamal Crates & Containers
 - M. Tech Industries

(₹ in lacs)

	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2015-2016						2014-2015					
Sales of Finished Goods / Others	820.31	989.71	-	-	28.83	1,838.85	993.33	859.32	-	-	7.32	1,859.97
Nilkamal Eswaran Plastics Pvt Ltd	50.05	-	-	-	-	-	17.65	-	-	-	-	-
Nilkamal Eswaran Marketing Pvt Ltd	124.37	-	-	-	-	-	85.53	-	-	-	-	-
Nilkamal Crates and Bins, FZE.	645.89	-	-	-	-	-	890.15	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	99.12	-	-	-	-	-	156.18	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	890.59	-	-	-	-	-	703.14	-	-	-	-
Nilkamal Crates & Containers	-	-	-	-	-	-	-	-	-	-	7.32	-
M. Tech Industries	-	-	-	-	28.83	-	-	-	-	-	-	-
Sales of Fixed Assets	10.46	4.95	-	-	-	15.41	51.37	1.74	-	-	-	53.11
Nilkamal Eswaran Plastics Pvt Ltd	9.96	-	-	-	-	-	51.37	-	-	-	-	-
Nilkamal Crates and Bins, FZE.	0.50	-	-	-	-	-	-	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	3.15	-	-	-	-	-	1.74	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	1.80	-	-	-	-	-	-	-	-	-	-
Purchases of raw materials, intermediaries and finished goods	63.45	900.22	-	-	311.86	1,275.53	-	576.62	-	-	24.36	600.98
Nilkamal Crates and Bins, FZE.	63.45	-	-	-	-	-	-	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	668.60	-	-	-	-	-	469.79	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	231.62	-	-	-	-	-	106.83	-	-	-	-
M. Tech Industries	-	-	-	-	311.86	-	-	-	-	-	24.36	-
Paid for services and labour charges	-	-	-	-	253.32	253.32	-	-	-	-	224.25	224.25

(₹ in lacs)

	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2015-2016						2014-2015					
M. Tech Industries	-	-	-	-	253.32	-	-	-	-	-	224.25	-
Received for services & labour charges	-	26.40	-	-	-	26.40	-	24.46	-	-	-	24.46
Nilkamal Bito Storage Systems Pvt. Ltd.	-	26.40	-	-	-	-	-	24.46	-	-	-	-
Deputation Charges	-	150.29	-	-	-	150.29	-	140.84	-	-	-	140.84
Nilkamal Bito Storage Systems Pvt. Ltd.	-	126.63	-	-	-	-	-	110.30	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	23.66	-	-	-	-	-	30.54	-	-	-	-
Technical and Management Fees received	36.34	549.04	-	-	-	585.38	31.83	375.87	-	-	-	407.70
Nilkamal Eswaran Plastics Pvt Ltd	36.34	-	-	-	-	-	31.83	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	421.44	-	-	-	-	-	283.59	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	127.60	-	-	-	-	-	92.28	-	-	-	-
Dividend received	571.54	98.10	-	-	-	669.64	177.25	4.20	-	-	-	181.45
Nilkamal Eswaran Plastics Pvt Ltd	211.66	-	-	-	-	-	6.98	-	-	-	-	-
Nilkamal Crates & Bins, FZE.	359.88	-	-	-	-	-	170.27	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	66.60	-	-	-	-	-	-	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	31.50	-	-	-	-	-	4.20	-	-	-	-
Purchase of fixed assets	45.11	3.12	-	-	-	48.23	11.73	5.33	-	-	-	17.06
Nilkamal Eswaran Plastics Pvt Ltd	45.11	-	-	-	-	-	11.73	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	3.12	-	-	-	-	-	5.33	-	-	-	-
Rent paid	-	-	-	9.84	251.16	261.00	-	-	5.40	5.01	211.72	222.13
Nilkamal Crates & Containers	-	-	-	-	251.16	-	-	-	-	-	211.72	-
Mr. Vamanrai V. Parekh	-	-	-	-	-	-	-	-	5.40	-	-	-
Mrs. Dhruvi Nakul Kumar	-	-	-	9.84	-	-	-	-	-	5.01	-	-
Remuneration to Directors	-	-	1,068.90	-	-	1,068.90	-	-	472.20	-	-	472.20
Shri Sharad V. Parekh	-	-	279.46	-	-	-	-	-	125.09	-	-	-
Shri Hiten V. Parekh	-	-	279.14	-	-	-	-	-	126.40	-	-	-
Mr. Manish V. Parekh	-	-	265.31	-	-	-	-	-	118.31	-	-	-
Mr. Nayan S. Parekh	-	-	244.99	-	-	-	-	-	102.40	-	-	-
Salary Paid	-	-	-	18.41	-	18.41	-	-	-	-	-	-
Mr. Mihir Parekh	-	-	-	18.41	-	-	-	-	-	-	-	-
Board & Audit Committee fees	-	-	3.80	-	-	3.80	-	-	2.15	-	-	2.15
Mr. Vamanrai V. Parekh	-	-	3.80	-	-	-	-	-	2.15	-	-	-
Lease Mould Rent Received	5.64	-	-	-	-	5.64	13.08	-	-	-	-	13.08
Nilkamal Eswaran Plastics Pvt Ltd	5.64	-	-	-	-	-	13.08	-	-	-	-	-
Reimbursement of Expenses	17.21	56.42	-	-	87.16	160.79	8.06	79.99	-	-	90.04	178.09
Nilkamal Eswaran Plastics Pvt Ltd	17.21	-	-	-	-	-	8.06	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	36.57	-	-	-	-	-	41.50	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	19.85	-	-	-	-	-	38.49	-	-	-	-
Nilkamal Crates & Containers	-	-	-	-	87.16	-	-	-	-	-	90.04	-
Balances Outstanding at the year end:	-	-	-	-	-	-	-	-	-	-	-	-
Deposits Receivable	-	-	-	3.00	720.00	723.00	-	-	-	3.00	720.00	723.00
Nilkamal Crates & Containers	-	-	-	-	720.00	-	-	-	-	-	720.00	-
Mrs. Dhruvi Nakul Kumar	-	-	-	3.00	-	-	-	-	-	3.00	-	-
Other Receivables	104.73	177.47	-	-	-	282.20	239.19	109.78	-	-	7.32	356.29
Nilkamal Eswaran Plastics Pvt Ltd	10.94	-	-	-	-	-	79.35	-	-	-	-	-
Nilkamal Eswaran Marketing Pvt Ltd	18.90	-	-	-	-	-	24.04	-	-	-	-	-
Nilkamal Crates & Bins, FZE.	74.89	-	-	-	-	-	135.80	-	-	-	-	-
Nilkamal Bito Storage Systems Pvt. Ltd.	-	43.87	-	-	-	-	-	97.99	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	133.60	-	-	-	-	-	11.79	-	-	-	-
Nilkamal Crates & Containers	-	-	-	-	-	-	-	-	-	-	7.32	-
Other Payables	-	138.34	-	-	28.24	166.58	-	159.11	-	1.01	79.82	239.94
Nilkamal Bito Storage Systems Pvt. Ltd.	-	81.63	-	-	-	-	-	133.27	-	-	-	-
Cambro Nilkamal Pvt. Ltd.	-	56.71	-	-	-	-	-	25.84	-	-	-	-
Nilkamal Crates & Containers	-	-	-	-	6.93	-	-	-	-	-	0.52	-
Mrs. Dhruvi Nakul Kumar	-	-	-	-	-	-	-	-	-	1.01	-	-
M. Tech Industries	-	-	-	-	21.31	-	-	-	-	-	79.30	-

(₹ in lacs)

	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2015-2016						2014-2015					
Guarantees given as security towards Borrowings of the Company	-	-	7,444.72	-	-	7,444.72	-	-	15,077.35	-	-	15,077.35
For working capital facilities guarantee jointly given by Mr. Vaman Parekh, Mr. Sharad Parekh and Mr. Hiten Parekh	-	-	7,444.72	-	-	-	-	-	12,523.90	-	-	-
For Term loan Guarantee given by Mr. Sharad Parekh	-	-	-	-	-	-	-	-	2553.45	-	-	-

Note : The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

36. (a) (i) Operating Lease in respect of Properties taken on Lease:

The Company has taken warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancellable period upto 60 months. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Lease payments recognised in the Statement of Profit and Loss [includes contingent rent of ₹ 782.73 lacs (Previous Year ₹ 613.34 lacs)]	4,067.84	4,346.92
(b)	Future minimum Lease Payments under non cancelable agreements.		
	(i) Not later than one year	1,276.53	1,274.12
	(ii) Later than one year and not later than 5 years	3,545.12	3,543.11
	(iii) Later than 5 years	348.12	547.65

(ii) Operating Lease in respect of Other Assets taken on Lease:

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Lease payments recognised in the Statement of Profit and Loss	480.11	214.00
(b)	Future minimum Lease Payments under non cancelable agreements.		
	(i) Not later than one year	437.96	245.59
	(ii) Later than one year and not later than 5 years	853.44	557.87
	(iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period upto 60 months (Previous Year 48 months).

(b) Assets given on Operating Lease:

The Company has leased out some of its Material Handling equipments. The lease term is in the range of 36-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. The carrying amounts of equipments given on operating leases and depreciation thereon for the period are:

(₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Gross Carrying Amount	318.46	318.46
(ii)	Depreciation for the Year	52.95	56.21
(iii)	Accumulated Depreciation	177.15	124.20
	The Total future Minimum rentals receivable at the Balance Sheet Date is as Under		
(i)	For a period not later than one year	3.60	76.42
(ii)	For a period more than one year but not later than 5 years	-	-
(iii)	For a period later than 5 years	-	-

37. Disclosure pursuant to Accounting Standard – 15 “Employee Benefits”:**Defined Contribution Plan:**

(a) The Company recognised ₹ 446.26 lacs (Previous Year ₹ 356.72 lacs) for provident and other fund contributions in the Statement of Profit and Loss.

(b) Defined Benefit Plan Disclosures:

(₹ in lacs)

Sr. No.	Particulars	2015-16 Gratuity	2014-15 Gratuity
1	Expense recognised in Statement of Profit and Loss		
	(a) Current Service Cost	158.69	129.48
	(b) Interest Cost	75.69	63.85
	(c) Expected return of plan assets	(67.13)	(38.74)
	(d) Actuarial (Gain)/Loss	27.71	12.69
	(e) Total expense recognised in the Statement of Profit and Loss	194.96	167.28
2	Net Liability recognised in Balance Sheet		
	(a) Present Value of Obligation	1,153.49	982.95
	(b) Fair Value of Plan Assets	(958.29)	(570.87)
	(c) Liability recognised in the Balance Sheet	195.20	412.08
	- Current	111.81	91.37
	- Non Current	83.39	320.71
3	Change in Defined Benefit Obligation (DBO) during the year		
	(a) Present Value of Obligation as at beginning of the year	982.95	798.09
	(b) Current Service cost	158.69	129.48
	(c) Interest Cost	75.69	63.85
	(d) Actuarial (Gain)/Loss	(2.00)	39.35
	(e) Benefits paid	(61.84)	(47.82)
	(f) Present Value of Obligation as at the close of the year	1,153.49	982.95
4	Changes in the Fair Value of Plan Assets		
	(a) Present Value of Plan Assets as at beginning of the year	570.87	355.47
	(b) Contribution to the fund	350.00	150.00
	(c) Expected return of plan assets	67.13	38.74
	(d) Actuarial Gain/(Loss)	(29.71)	26.66
	(e) Fair Value of Plan Assets as at the close of the year	958.29	570.87
	(f) Actual return on plan assets	37.42	65.42
5	Actuarial Assumptions		
	(a) Discount Rate (per annum)	7.70%	8.00%
	(b) Expected Rate of Return on Assets (per annum)	9.00%	9.00%
	(c) Salary Escalation Rate (per annum)	7.00%	7.00%
	(d) Mortality	Indian Assured Life Mortality (2006-08) Ult.	Indian Assured Life Mortality (2006-08) Ult.
6	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets		
	Insurer Managed Funds	100%	100%

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Experience Adjustment

(₹ in lacs)

Sr. No.	Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
1	Present Value of the defined benefit obligation	1,153.49	982.95	798.09	734.15	567.61
2	Fair value of the plan assets	958.29	570.87	355.47	221.43	201.35
3	Surplus / (deficit) in the plan	(195.20)	(412.08)	(442.63)	(512.72)	(366.26)
4	Experience adjustment on plan assets	(29.71)	26.66	(11.29)	1.96	(5.22)
5	Experience adjustment on plan liabilities	(33.27)	(51.61)	2.26	(16.90)	(11.21)
6	The estimated contribution to be paid to the plan during the annual period beginning after balance sheet date is ₹ 111.81 lacs (Previous Year ₹ 91.37 lacs)					

(c) Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 259.23 lacs (Previous Year ₹ 207.42 lacs) and is included in Note 23 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 416.22 lacs (Previous Year ₹ 375.31 lacs) and current provision aggregates ₹ 312.39 lacs (Previous Year ₹ 248.15 lacs).

38. Information on Joint Ventures:

(a) Jointly Controlled Entities:

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Pvt. Ltd.	India	50
Cambro Nilkamal Pvt Ltd.	India	50

(b) Contingent Liabilities in respect of the Jointly Controlled Entities: (₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Directly incurred by the Company	-	10.00
(ii)	Share of the Company in contingent liabilities which have been incurred jointly with other ventures	-	-
(iii)	Share of the Company in contingent liabilities incurred by jointly controlled entity (to the extent ascertainable)	125.65	-
(iv)	Share of other ventures in contingent liabilities incurred by jointly controlled entities	125.65	-

(c) Capital Commitments in respect of the Jointly Controlled Entities: (₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Direct Capital commitments by the Company	-	-
(ii)	Share of the Company in capital commitments which have been incurred jointly with other ventures	-	-
(iii)	Share of the Company in capital commitments of the jointly controlled entity.	35.77	2.80

d) Share in the Assets, Liabilities, Income and Expenses with respect to Jointly Controlled Entities (as per audited financial statements available with the Company) (₹ in lacs)

	Particulars	2015-16	2014-15
(A)	Assets :		
	Tangible Assets	827.86	929.60
	Intangible Assets	-	0.79
	Intangible assets under development	-	-
	Long-term loans and advances	67.23	64.96
	Other non-current assets	10.61	0.70
	Inventories	903.95	800.91
	Trade Receivables	1,795.01	1,160.01
	Current Investments	153.92	-
	Cash and Bank Balances	460.31	577.53
	Short-term loans and advances	148.43	117.81
	Other current assets	10.12	11.06
(B)	Liabilities :		
	Long Term Borrowings	-	-
	Deferred Tax Liabilities (Net)	(2.60)	8.74
	Long term provisions	36.91	26.50
	Short Term Borrowings	94.81	197.48
	Trade Payables	525.74	358.70
	Other Current Liabilities	203.78	168.46
	Short term provisions	201.87	134.16
(C)	Income:		
	Revenue from Operations (Net)	7,553.85	5271.05
	Other Income	34.46	21.04

	Particulars	2015-16	2014-15
(D)	Expenditure:		
	Cost of materials and components consumed	2,860.68	2,388.21
	Purchases of Stock-in-trade	1,338.09	699.17
	(Increase)/Decrease in Stock of finished goods, work in progress and stock-in-trade	(141.13)	(208.43)
	Employee benefits expense	454.28	344.92
	Finance costs	17.10	25.24
	Depreciation and Amortisation	187.97	192.73
	Other Expenses	1,836.30	1,287.09
	Tax Expenses (Net)	275.84	88.35

39. Earnings per share:

Particulars	2015-16	2014-15
Profit for the year after tax (₹ In Lacs)	10,388.76	4,246.11
Nominal Value per Share in Rupees	10.00	10.00
Weighted average number of equity shares Outstanding during the year	14,922,525	14,922,525
Basic and diluted earnings per share (₹)	69.62	28.45

40. In accordance with Accounting Standard 17 "Segment Reporting", segment information has been given in the Consolidated Financial Statement of Nilkamal Limited and therefore no separate disclosure on segment information is given in these financial statements.

41. Corporate Social Responsibility

As required by As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Company, The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

- (a) Gross amount required to be spent by the Company during the year 2015-16 ₹ 109.85 lacs (Previous year ₹ 115.22 lacs).
- (b) Amount spent during the year on : (₹ in lacs)

	Particulars	2015-16			2014-15		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i)	Construction/ acquisition of any asset	-	-	-	-	-	-
(ii)	On purpose other than (i) above	199.07	-	199.07	-	-	-
		199.07	-	199.07	-	-	-

42. Previous year figures have been regrouped / reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED**For For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Pareesh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Performance at a glance

(₹ in lacs)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Net Sales	143,461	161,066	164,907	178,666	187,027
Profit Before Tax	7,105	4,365	5,813	6,051	15,329
Profit After Tax	5,560	3,119	4,003	4,246	10,389
Share Capital	1,492	1,492	1,492	1,492	1,492
Reserves and Surplus	38,952	41,419	44,782	47,751	57,006
Shareholder's Funds	40,444	42,911	46,274	49,243	58,498
Loan Funds	36,168	39,410	31,988	20,703	10,501
Total Capital Employed	76,612	82,321	78,262	69,946	68,999
Long Term Liabilities and Provisions	3,130	3,943	4,007	4,403	4,506
Deffered Tax Liability	1,847	2,190	2,430	1,578	949
Gross Block	63,382	68,495	71,937	71,729	73,166
Net Block	33,232	34,242	33,473	28,504	26,146
Investments	2,530	2,530	2,556	2,556	2,562
Long Term Loans and Advances and other Current non current Assets	5,769	5,185	5,689	5,324	5,125
Net Current Assets	40,059	46,497	42,981	39,544	40,621

RATIO

Financial Performance %	2011-12	2012-13	2013-14	2014-15	2015-16
Domestic Turnover/Total Revenue	96.30	97.17	96.42	96.65	95.01
Exports/Total Revenue	3.53	2.63	3.37	3.00	4.51
Other Income/Total Revenue	0.17	0.20	0.21	0.35	0.49
Raw Material/Total Revenue	61.04	63.08	63.13	63.34	56.97
Overheads/Total Revenue	22.18	22.51	21.51	22.34	23.95
Interest/Total Revenue	2.79	2.66	2.51	1.65	0.95
Profit Before Tax/Total Revenue	4.94	2.70	3.52	3.38	8.16
Depreciation//Total Revenue	2.82	2.75	2.96	3.00	2.80
Net Profit After Tax /Total Revenue	3.87	1.93	2.42	2.37	5.53
Return on Capital Employed	12.23	8.61	9.20	9.20	16.57
Return on Net Worth	14.63	7.48	8.98	8.89	19.28
Balance Sheet Ratios					
Debtors Turnover (days)	44	46	42	41	44
Inventory Turnover	69	69	67	57	58
Current Ratio	4.06	4.24	3.88	3.49	3.11
Asset Turnover	4.38	4.76	4.93	6.27	7.15
Debt-Equity	0.89	0.92	0.69	0.42	0.18
Per Share Data - Rs.					
EPS	37.26	20.90	26.83	28.45	69.62
CEPS	64.39	50.62	59.61	64.48	104.88
Book Value	271.03	287.56	310.10	329.99	392.01
Shareholder Statitics					
DPS	4.00	4.00	4	4.5	7.0
Dividend (%)	40	40	40	45	70
Dividend Payout (Rs)	694	698	688	772	1,141
Dividend Payout (%)	12.48	22.39	17.19	18.18	10.98

Independent Auditors' Report to the Members of Nilkamal Limited**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Nilkamal Limited ("the Holding Company"), its subsidiaries (the Holding Company its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including jointly controlled entities 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. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2016, its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matter

- (a) The financial statements of one jointly controlled entity included in the consolidated financial statements, which constitute total assets of ₹ 3,402.56 lacs as at 31st March, 2016, total revenues of ₹ 6,375.03 lacs and net cash inflows amounting to ₹ 123.51 lacs for the year ended on that date, have been audited by B S R & Co. LLP, one of the joint auditors of the Company.
- (b) We did not audit the financial statements of 3 subsidiaries and 1 jointly controlled entity whose financial statements reflect total assets of ₹ 6,438.23 lacs as at 31st March, 2016, total revenues of ₹ 9,171.56 lacs and net cash outflows amounting to ₹ 467.75 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have

been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity is based solely on the reports of the other auditors.

- (c) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, to the extent applicable, 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its jointly controlled entities incorporated in India, none of the Directors of the Holding Company, jointly controlled entities, incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls of the Holding Company, subsidiaries and jointly controlled entities incorporated in India, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 28 (a) to the consolidated financial statements;
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, subsidiaries and jointly controlled entities incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For **Vora & Associates**
Chartered Accountants
Firm's Registration No: 111612W

Sadashiv Shetty
Partner
Membership No: 048648

Bharat B. Chovatia
Partner
Membership Number: 031756

Mumbai
May 14, 2016

Mumbai
May 14, 2016

Annexure A to Independent Auditors' Report of even date on the consolidated financial statement of Nilkamal Limited – 31st March, 2016

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Nilkamal Limited (hereinafter referred to as "the Holding Company") and its jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its jointly controlled entities, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one jointly controlled entity which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For **Vora & Associates**

Chartered Accountants

Firm's Registration No: 111612W

Sadashiv Shetty

Partner

Membership No: 048648

Bharat B. Chovatia

Partner

Membership Number: 031756

Mumbai

May 14, 2016

Mumbai

May 14, 2016

Consolidated Balance Sheet as at 31st March, 2016

(₹ in lacs)

Particulars	Note	As at	
		31st March, 2016	31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	1,492.25	1,492.25
(b) Reserves and Surplus	2	61,129.75	51,005.15
2 Minority Interest		719.84	622.14
3 Non-current liabilities			
(a) Long-Term Borrowings	3	879.21	4,394.16
(b) Deferred Tax Liabilities (Net)	4	1,055.27	1,687.00
(c) Other Long-Term Liabilities	5	4,006.74	3,707.44
(d) Long-Term Provisions	6	698.24	839.40
4 Current Liabilities			
(a) Short-Term Borrowings	7	7,539.53	12,721.38
(b) Trade Payables due to micro and small enterprises due to others		11,558.72	9,643.59
(c) Other Current Liabilities	8	8,672.16	8,431.97
(d) Short-Term Provisions	9	2,687.78	2,374.72
TOTAL		100,439.49	96,919.20
II. ASSETS			
1 Non-current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		27,507.01	30,392.93
(ii) Intangible Assets		115.95	205.42
(iii) Capital Work-in-Progress		451.36	122.63
		28,074.32	30,720.98
(b) Non-Current Investments	11	32.32	27.02
(c) Long-Term Loans and Advances	12	5,117.98	5,281.64
(d) Other Non-Current Assets	13	84.76	107.81
2 Current assets			
(a) Current Investments	14	1,066.08	462.26
(b) Inventories	15	31,593.99	29,236.05
(c) Trade Receivables	16	28,553.34	24,715.51
(d) Cash and Bank Balances	17	2,192.31	2,124.21
(e) Short-Term Loans and Advances	18	3,510.94	3,826.75
(f) Other Current Assets	19	213.45	416.97
TOTAL		100,439.49	96,919.20
Significant accounting policies	27		

The notes referred in above form an integral part of the Consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED**For For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Pareesh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Statement of profit and loss for the year ended 31st March, 2016

Particulars	Note	(₹ in lacs)	
		Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue from operations (Gross)	20	214,000.93	202,345.14
Less: Excise Duty		13,669.82	12,886.27
Revenue from Operations (Net)		200,331.11	189,458.87
II. Other Income	21	339.13	456.14
III. Total Revenue (I+II)		200,670.24	189,915.01
IV. Expenses:			
Cost of Materials Consumed	22	69,910.95	73,575.66
Purchases of Stock in Trade		45,481.62	44,439.68
Changes in inventories of Finished Goods, Work-in-Progress and Traded Goods	23	(1,594.90)	1,521.19
Employee Benefits Expense	24	14,842.78	12,336.90
Finance Costs	25	1,804.35	2,991.99
Depreciation and Amortization Expense	10	5,627.24	5,742.37
Other Expenses	26	47,684.61	42,224.19
Total Expenses		183,756.65	182,831.98
V. Profit Before Tax (III-IV)		16,913.59	7,083.03
VI. Tax Expense:			
Current tax		6,082.46	2,556.28
Minimum Alternate Tax Credit Utilisation		-	(23.92)
Excess Minimum Alternate Tax Credit taken in respect of earlier years		(1.38)	-
Deferred tax		(631.73)	(585.08)
Taxation for earlier years		(58.91)	9.74
VII. Net Profit After Tax (V-VI)		11,523.15	5,126.01
Less: Minority Interest		191.50	78.34
VIII. Profit for the year		11,331.65	5,047.67
IX. Earnings per equity share of ₹ 10 each (Previous Year ₹ 10 each)	39		
(1) Basic		75.94	33.83
(2) Diluted		75.94	33.83
Weighted average number of equity shares outstanding		14,922,525	14,922,525
Significant accounting policies	27		

The notes referred in above form an integral part of the Consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For **VORA & ASSOCIATES**

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Consolidated cash flow statement for the year ended 31st March, 2016

(₹ in lacs)

	Year ended on 31st March, 2016	Year ended on 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	16,913.59	7,083.03
Adjustments for :		
Depreciation and Amortisation	5,627.24	5,742.37
Loss on Fixed Assets sold / discarded (Net)	254.84	300.96
Finance Costs	2,078.80	3,251.07
Dividend Income	(43.14)	(4.20)
Interest Income	(264.78)	(231.49)
Provision for Rent Equalisation	2.68	177.68
Provision for doubtful debts and advances	176.02	80.50
Provision for Wealth Tax	0.53	6.20
Bad Debts Written off	134.58	163.72
Unrealised Foreign Exchange Loss	(11.83)	15.71
	<u>7,954.93</u>	<u>9,502.52</u>
Operating Profit before Working Capital changes	24,868.52	16,585.55
Adjustments for :		
(Increase) / Decrease in Trade Receivables	(4,144.47)	(1,661.53)
(Increase) / Decrease in Other Receivables	17.17	338.75
(Increase) / Decrease in Inventories	(2,052.01)	2,384.86
Increase / (Decrease) in Trade Payables	1,911.21	(254.31)
Increase / (Decrease) in Other Payables & Provisions	2,064.53	1,696.96
	<u>(2,203.57)</u>	<u>2,504.73</u>
Direct Taxes Paid (Net of Refund)	(4,836.95)	(2,381.83)
	<u>(4,836.95)</u>	<u>(2,381.83)</u>
Net Cash Inflow from Operating Activities (A)	17,828.00	16,708.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets, Capital Work-in-Progress and Capital Advances	(3,658.80)	(1,851.10)
Sale of Fixed Assets	347.51	253.30
Investments made during the year [Net]	(893.18)	(214.34)
Dividend Received	43.14	4.20
Interest Received	266.35	261.36
Net Cash (Outflow) from Investing Activities (B)	(3,894.98)	(1,546.58)

Consolidated cash flow statement for the year ended 31st March, 2016

(₹ in lacs)

	Year ended on 31st March, 2016	Year ended on 31st March, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Long Term Borrowings	(5,157.80)	(6,440.89)
(Repayment) of Short Term Borrowings [Net]	(5,181.84)	(5,037.77)
Changes in External Commercial Borrowing pending utilisation [Net]	-	360.00
Interest Received on Pending External Commercial Borrowings utilization	-	2.81
Finance Costs	(2,106.79)	(3,278.34)
Dividend paid (including tax on dividend)	(1,805.35)	(689.37)
Net Cash Inflow/(Outflow) from Financing Activities (C)	(14,251.78)	(15,083.56)
Change In Foreign Currency Fluctuation Reserve Arising On Consolidation (D)	(88.57)	5.52
Net Increase in Cash and Cash Equivalents (A+B+C+D)	(407.32)	83.83
Cash and Cash Equivalents as at the beginning of the year	1,656.39	1,572.56
Cash and Cash Equivalents as at the year end	1,249.07	1,656.39
	(407.32)	83.83

Notes to the cash flow statement

1. Components of cash and cash equivalents

	Year ended on 31st March, 2016	Year ended on 31st March, 2015
(a) Cash on Hand	207.06	203.13
(b) Cheques on Hand / Remittance in Transit	306.1	379.37
(c) Balance in Current Accounts	485.91	948.89
(d) Bank Deposits with less than 3 months maturity	250.00	125.00
Cash and cash equivalents	1,249.07	1,656.39

2 The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountant of India.

3 Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED**For For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Notes to the Consolidated cash flow statement

		(₹ in lacs)					
		Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
1	Share Capital						
	Authorised						
	22,000,000 Equity Shares of ₹ 10/- each (Previous Year 22,000,000 Equity Shares of ₹ 10/- each)	2,200.00	-	2,200.00	2,200.00	-	2,200.00
	3,000,000 Preference Shares of ₹ 10/- each (Previous Year 3,000,000 Preference Shares of ₹ 10/- each)	300.00	-	300.00	300.00	-	300.00
		<u>2,500.00</u>	<u>-</u>	<u>2,500.00</u>	<u>2,500.00</u>	<u>-</u>	<u>2,500.00</u>
	Issued, Subscribed and Fully Paid up						
	14,922,525 Equity Shares of ₹ 10/- each (Previous Year 14,922,525 Equity Shares of ₹ 10/- each) [Refer Note 30 (c)]	1,492.25	-	1,492.25	1,492.25	-	1,492.25
	TOTAL	<u>1,492.25</u>	<u>-</u>	<u>1,492.25</u>	<u>1,492.25</u>	<u>-</u>	<u>1,492.25</u>
2	Reserves and Surplus						
	a Capital Reserve						
	At the Commencement and at the end of the year	1,115.16	15.00	1,130.16	1,115.16	15.00	1,130.16
	b Securities Premium Reserve						
	At the Commencement and at the end of the year	6,448.96	(1.09)	6,447.87	6,448.96	(1.09)	6,447.87
	c Cash Flow Hedge Reserve						
	At the Commencement of the year	(20.05)	-	(20.05)	94.81	-	94.81
	Add: Net gain recognised on cash flow hedge (Refer Note 32)	6.86	-	6.86	(114.86)	-	(114.86)
	TOTAL	<u>(13.19)</u>	<u>-</u>	<u>(13.19)</u>	<u>(20.05)</u>	<u>-</u>	<u>(20.05)</u>
	d Foreign Currency Translation Reserve						
	At the Commencement of the year	405.45	-	405.45	324.04	-	324.04
	Add/(Less): Exchange Difference during the year	(37.24)	-	(37.24)	81.41	-	81.41
		<u>368.21</u>	<u>-</u>	<u>368.21</u>	<u>405.45</u>	<u>-</u>	<u>405.45</u>
	e General Reserve						
	At the Commencement of the year	20,024.59	23.13	20,047.72	19,536.40	26.20	19,562.60
	Add: Transferred from Surplus	5,000.00	16.35	16.35	890.32	4.41	894.73
	Less: Depreciation for change in Useful life	-	-	-	603.98	9.68	613.66
	Add: Deferred Tax Assets on Additional Depreciation	-	-	-	201.85	2.20	204.05
		<u>25,024.59</u>	<u>39.48</u>	<u>25,064.07</u>	<u>20,024.59</u>	<u>23.13</u>	<u>20,047.72</u>
	f Surplus						
	At the Commencement of the year	22,736.46	257.54	22,994.00	19,857.55	(233.30)	19,624.25
	Add: Net Profit for the year	10,661.90	669.75	11,331.65	4,541.48	506.19	5,047.67
	Less: Proposed Dividend [Dividend per share current year ₹ Nil per share (Previous Year ₹ 4.50 per share)]	-	-	-	671.51	-	671.51
	Less: Interim Dividend [Dividend per share current year ₹ 7/- per share (Previous Year ₹ Nil per share)]	1,044.58	-	1,044.58	-	-	-
	Less: Tax on Proposed and Interim Dividend	96.30	35.79	132.09	100.74	10.94	111.68
	Less: Transfer to General Reserve	5,000.00	16.35	16.35	890.32	4.41	894.73
		<u>27,257.48</u>	<u>875.15</u>	<u>28,132.63</u>	<u>22,736.46</u>	<u>257.54</u>	<u>22,994.00</u>
	TOTAL	<u>60,201.21</u>	<u>928.54</u>	<u>61,129.75</u>	<u>50,710.57</u>	<u>294.58</u>	<u>51,005.15</u>
3	Long-Term Borrowings						
	Secured (For Security and Terms of repayment: Refer Note 31)						
	Term Loan from banks						
	(i) Rupee Loans	-	-	-	969.01	-	969.01
	(ii) Foreign Currency Loans	879.21	-	879.21	3,425.15	-	3,425.15
	TOTAL	<u>879.21</u>	<u>-</u>	<u>879.21</u>	<u>4,394.16</u>	<u>-</u>	<u>4,394.16</u>
	Current maturities of Long-Term borrowings	* 2,176.43	* -	* 2,176.43	* 3,784.74	* 0.00	* 3,784.74
	*amount disclosed under Other Current Liabilities (Refer Note 8)						

4 Deferred Tax Liabilities (Net)

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
Major components of deferred tax assets and liabilities arising on account of timing differences are:		
Deferred Tax Liabilities:		
Depreciation	1,527.96	2,089.34
Allowances under Income Tax Act	-	154.72
Others	63.23	-
	1,591.20	2,244.06
Deferred Tax Assets:		
Disallowances under Income Tax Act	345.17	382.42
Provision for Doubtful Debts	190.75	138.44
Others	-	36.20
	535.93	557.06
Deferred Tax Liabilities (Net)	1,055.27	1,687.00
Above includes share in Joint Venture (Net)	(2.60)	8.74

Tax in respect of earlier years includes Deferred Tax charge of ₹ Nil (Previous Year ₹ 21.74 Lacs)

	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
5 Other Long-Term Liabilities						
(a) Security Deposit Received	3,826.38	-	3,826.38	3,529.76	-	3,529.76
(b) Others	180.36	-	180.36	177.68	-	177.68
TOTAL	4,006.74	-	4,006.74	3,707.44	-	3,707.44

6 Long-Term Provisions

**Provision For Employee Benefits
[Refer note 36] :-**

	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
(a) Gratuity	245.10	25.11	270.21	437.59	18.07	455.66
(b) Compensated Absences	416.22	11.81	428.03	375.31	8.43	383.74
TOTAL	661.32	36.92	698.24	812.90	26.50	839.40

7 Short-Term Borrowings

Secured Loans (For Security and Terms of repayment: Refer Note 31)

Working Capital Loan from Banks

	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
Rupee Loans	7,444.72	94.81	7,539.53	12,523.90	197.48	12,721.38
TOTAL	7,444.72	94.81	7,539.53	12,523.90	197.48	12,721.38

	(₹ in lacs)					
	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
8 Other Current Liabilities						
(a) Current maturities of long-term debt						
(i) Rupee Loans	0.07	-	0.07	1,584.44	-	1,584.44
(ii) Foreign Currency Loans	2,176.43	-	2,176.43	2,200.30	-	2,200.30
(iii) Current Maturity of Finance Lease Obligations	-	-	-	2.91	-	2.91
(b) Interest accrued but not due on borrowings	18.54	-	18.54	46.53	-	46.53
(c) Unclaimed Dividend (Refer Note below)	176.62	-	176.62	22.11	-	22.11
(d) Advance received from customers	1,720.33	60.38	1,780.71	2,135.35	76.74	2,212.09
(e) Employee Benefits Payable	2,167.19	49.62	2,216.81	583.27	12.04	595.31
(f) Capital Creditors	254.98	-	254.98	222.06	-	222.06
(g) Other Payables	-	-	-	-	-	-
a) Statutory Dues :						
(i) Sales Tax	1,471.88	74.49	1,546.37	1,097.61	69.60	1,167.21
(ii) Excise and Service Tax	23.39	1.50	24.89	19.34	0.01	19.35
(iii) Tax Deducted at Source	262.99	13.64	276.63	186.55	7.98	194.53
(iv) Provident Fund, Employees' State Insurance Corporation	48.43	3.03	51.46	64.27	2.10	66.37
b) Others	147.52	1.13	148.65	98.76	-	98.76
TOTAL	8,468.37	203.79	8,672.16	8,263.50	168.47	8,431.97

Note: There are no amounts due for payment to the Investor Education and Protection Fund as at year end.

9 Short-Term Provisions

(a) Provision For Employee Benefits [Refer note 36] :-

(i) - Gratuity	111.80	2.08	113.88	91.37	1.63	93.00
(ii) - Compensated Absences	312.39	6.06	318.45	248.15	6.88	255.03

(b) Others Provisions

(i) Provision For Excise Duty on Closing Stock	1,012.75	35.55	1,048.30	706.65	35.72	742.37
(ii) Provision For Product Warranties [Refer Note 29]	514.62	-	514.62	465.95	-	465.95
(iii) Provision For Wealth Tax	-	-	-	6.29	-	6.29
(iv) Proposed Dividend	-	-	-	671.51	-	671.51
(v) Tax on Proposed Equity Dividend	-	26.75	26.75	100.61	10.94	111.55
(vi) Provision for Tax (Net of advance tax)	590.76	0.02	590.78	3.72	25.30	29.02
(vii) Provision for Others	75.00	-	75.00	-	-	-

TOTAL	2,617.32	70.46	2,687.78	2,294.25	80.47	2,374.72
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10 Fixed Assets	Tangible Assets													Intangible Assets				Total	
	Consolidated with Subsidiaries													Consolidated with Subsidiaries					
	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles (a) Others	(b) Under Finance Lease	Leasehold Improvements	Lease Equipments	TOTAL	Add : Share of Joint Ventures	TOTAL	Software	Models, Designs and Commercial Rights	Total	Add : Share of Joint Ventures		Total
Gross Block																			
Opening Balance as on 1 st April, 2014	1,250.75	224.71	14,821.54	42,903.78	4,407.98	3,745.88	1,447.13	274.22	3,116.58	318.46	72,511.03	1,847.63	74,358.66	937.48	2,012.52	2,950.00	36.44	2,986.44	77,345.10
Addition during the year	-	-	102.59	853.34	153.59	252.12	10.77	21.99	167.59	-	1,563.99	57.33	1,621.32	11.93	-	11.93	-	11.93	1,633.25
Disposal	-	-	7.18	803.40	28.27	255.75	167.54	-	259.18	-	1,521.32	6.67	1,527.99	-	-	-	-	-	1,527.99
Exchange Translation	2.89	-	25.62	46.60	0.86	2.98	2.24	5.84	-	-	87.03	-	87.03	0.15	-	0.15	-	0.15	87.18
Balance as at 31 st March, 2015	1,253.64	224.71	14,942.57	43,002.32	4,534.16	3,745.23	1,292.60	302.05	3,024.99	318.46	72,640.73	1,898.29	74,539.02	949.56	2,012.52	2,962.08	36.44	2,998.52	77,537.54
Opening Balance as on 1st April, 2015	1,253.64	224.71	14,942.57	43,002.32	4,534.16	3,745.23	1,292.60	302.05	3,024.99	318.46	72,640.73	1,898.29	74,539.02	949.56	2,012.52	2,962.08	36.44	2,998.52	77,537.54
Addition during the year	-	-	42.20	2,839.53	92.23	200.64	10.28	-	10.18	-	3,195.06	87.02	3,282.08	48.19	-	48.19	-	48.19	3,330.27
Adjustments	-	(28.89)	(152.56)	(12.62)	1.22	16.50	-	-	176.35	-	(0.00)	-	(0.00)	-	-	-	-	-	(0.00)
Disposal	-	-	49.37	1,158.77	57.09	331.77	364.45	20.83	173.62	-	2,155.90	12.27	2,168.17	0.44	-	0.44	-	0.44	2,168.61
Exchange Translation	(4.36)	-	(38.71)	(70.96)	0.61	0.01	(3.44)	6.77	-	-	(110.08)	-	(110.08)	(0.42)	-	(0.42)	-	(0.42)	(110.50)
Balance as at 31st March, 2015	1,249.28	195.82	14,744.13	44,599.50	4,571.13	3,630.61	934.99	287.99	3,037.90	318.46	73,569.81	1,973.04	75,542.85	996.89	2,012.52	3,009.41	36.44	3,045.85	78,588.70
As at 1 st April, 2015	-	29.15	3,722.06	29,566.29	1,450.70	1,866.25	516.37	115.61	820.97	67.99	38,155.39	883.86	39,039.25	535.01	2,012.52	2,547.53	26.76	2,574.29	41,613.54
Depreciation for the year	-	2.50	495.29	2,852.70	559.68	656.14	182.37	47.72	498.94	56.21	5,351.55	172.80	5,524.35	209.13	-	209.13	8.89	218.02	5,742.37
Disposal/Adjustments	-	-	7.18	655.59	17.04	207.52	80.07	-	108.52	-	1,075.92	3.07	1,078.99	-	-	-	-	-	1,078.99
Transfer to General Reserve	-	-	74.71	29.70	66.89	434.78	0.51	-	-	-	606.59	9.68	616.27	0.66	-	0.66	-	0.66	616.93
Exchange Translation	-	-	6.45	34.99	0.39	1.13	0.90	1.35	-	-	45.21	-	45.21	0.13	-	0.13	-	0.13	45.34
As at 31 st March, 2015	-	31.65	4,291.33	31,828.09	2,060.62	2,750.78	620.08	164.68	1,211.39	124.20	43,082.82	1,063.27	44,146.09	744.93	2,012.52	2,757.45	35.65	2,793.10	46,939.19
As at 1st April, 2015	-	31.65	4,291.33	31,828.09	2,060.62	2,750.78	620.08	164.68	1,211.39	124.20	43,082.82	1,063.27	44,146.09	744.93	2,012.52	2,757.45	35.65	2,793.10	46,939.19
Depreciation for the year	-	2.50	490.61	2,826.12	614.44	485.49	136.62	43.28	681.80	52.95	5,313.81	176.13	5,489.94	136.51	-	136.51	0.79	137.30	5,627.24
Adjustment	-	(3.09)	(38.34)	(4.97)	1.15	6.62	-	-	38.63	-	(0.00)	-	(0.00)	-	-	-	-	-	(0.00)
Disposal /Adjustments	-	-	6.72	815.11	47.50	326.96	202.96	9.32	112.99	-	1,521.56	10.70	1,532.26	0.38	-	0.38	-	0.38	1,532.64
Exchange Translation	-	-	(11.12)	(56.54)	(0.10)	(0.57)	(1.78)	2.18	-	-	(67.93)	-	(67.93)	(0.12)	-	(0.12)	-	(0.12)	(68.05)
As at 31st March, 2016	-	31.05	4,725.76	33,777.59	2,628.61	2,895.36	551.96	200.82	1,818.83	177.15	46,807.14	1,228.70	48,035.84	880.94	2,012.52	2,893.46	36.44	2,929.90	50,965.74
NET BOOK VALUE																			
As at 31 st March, 2016	1,249.28	164.77	10,018.36	10,821.91	1,942.52	735.25	383.03	87.17	1,219.07	141.31	26,762.67	744.34	27,507.01	115.95	-	115.95	-	115.95	27,622.96
As at 31 st March, 2015	1,253.64	193.06	10,651.24	11,174.23	2,473.54	994.45	672.52	137.37	1,813.60	194.27	29,557.91	835.02	30,392.93	204.63	-	204.63	0.79	205.42	30,598.35

Notes:-

- Leasehold land acquisition value includes ₹ 0.01 lacs (Previous Year ₹ 0.01 lacs) paid by way of subscription of shares for membership of co-operative housing society.
- Pending completion of the relevant formalities for the transfer/ conveyance of freehold land and buildings having Gross block value ₹ 375.91 lacs and Net block value ₹ 301.85 lacs which vested in the name of Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
- The foreign exchange fluctuation on outstanding foreign currency loan has been accounted for as per Accounting Standard (AS 11) as amended wide Notification dated 29th December, 2011 with further clarification note dated 9th August, 2012 issued by the Ministry of Corporate Affairs Government of India. Consequently, an amount of ₹ 83.14 lacs (Previous year ₹ 144.27 lacs) is capitalized as cost of fixed assets. The Company has provided additional amount of depreciation of ₹ 176.78 lacs (Previous year ₹ 185.84 lacs) on such costs.
- Schedule II of the Companies Act, 2013 (the Act), which prescribes useful lives of the fixed assets, was effective from 1st April, 2014. Consequently, based on the technical evaluation, the Company has reassessed the useful lives of its fixed assets. For certain class of assets the useful lives as prescribed in Schedule II and for other classes of assets, the useful lives are different from those prescribed in Schedule II. Consequently to the reduction in the useful lives, based on transitional provision given in Schedule II, ₹ 412.43 lacs (net of deferred tax impact of ₹ 204.50 lacs) has been adjusted against opening balance in general reserves in the previous year. Had the Company continued with previously assessed useful lives, depreciation charge for the previous year would have been lower by ₹ 890.44 lacs.

					(₹ in lacs)	
	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
11 Non-Current Investments (Valued at cost unless stated otherwise)						
Trade Investments (Unquoted)						
(i) Investment in Equity Instruments						
168,438 (Previous year 140,526) Equity Shares of ₹ 10/- each of Beta Wind Farm Private Limited fully paid -up	32.00	-	32.00	26.70	-	26.70
(ii) Other Non-Current Investments (Unquoted)						
Investment in Government Securities						
National Savings Certificates (Pledged with Government authorities)	0.32	-	0.32	0.32	-	0.32
TOTAL	32.32	-	32.32	27.02	-	27.02
12 Long-Term Loans and Advances						
Unsecured						
(i) Capital Advances	563.47	8.14	571.61	88.42	-	88.42
(ii) Security Deposits	1,910.62	7.96	1,918.58	1,905.63	11.19	1,916.82
(iii) Deposit with Government Authorities	1,043.04	20.31	1,063.35	1,077.93	8.37	1,086.30
(iv) Deposit with related party (Refer Note 34)	723.00	-	723.00	723.00	-	723.00
(v) Other Loans and Advances (Considered Good)	422.48	-	422.48	526.53	-	526.53
(vi) Taxes Paid in Advance (Net of provision)	-	26.38	26.38	545.58	3.84	549.42
(vii) Minimum Alternate Tax Entitlement	-	4.44	4.44	-	41.56	41.56
(vii) Derivative Assets (Refer Note 32)	388.14	-	388.14	349.59	-	349.59
TOTAL	5,050.75	67.23	5,117.98	5,216.68	64.96	5,281.64
13 Other Non-Current Assets						
Bank Deposits (Maturity after 12 months from the reporting date)	74.15	10.61	84.76	107.11	0.70	107.81
TOTAL	74.15	10.61	84.76	107.11	0.70	107.81
14 Current Investments						
Valued at cost unless stated otherwise						
Investment in Mutual Funds						
Non Traded (Unquoted)						
(i) Sri Lankan Government Treasury Investment	249.60	-	249.60	462.26	-	462.26
(ii) Sri Lankan Unit Trust - Namal High Yield Fund (Units 9,938,637.90, Previous Year Nil)	662.57	-	662.57	-	-	-
Traded (Quoted)						
(i) Edelweises Arbitrage Fund-Dividend Reinvestment (Units 1,022,364.339, Previous Year Nil)	-	52.80	52.80	-	-	-
(ii) IDFC Arbitrage Fund - Dividend Reinvestment Option (Units 1,604,390.903, Previous Year Nil)	-	101.11	101.11	-	-	-
TOTAL	912.17	153.91	1,066.08	462.26	-	462.26
(Market Value of Investments is ₹ 1,066.16 Lacs, Previous Year ₹ 462.33 Lacs)						

	(₹ in lacs)					
	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
15 Inventories (Valued at the lower of cost and net realisable value)						
(i) Raw Material (including Goods in Transit ₹ 1,352.00 Lacs, Previous Year ₹ 542.50 Lacs)	5,885.28	242.99	6,128.27	5,493.29	295.78	5,789.07
(ii) Work in Progress	2,481.24	23.40	2,504.64	2,183.02	26.58	2,209.60
(iii) Finished Goods	8,597.60	3.71	8,601.31	6,995.75	3.21	6,998.96
(iv) Stock in Trade (including Goods in Transit ₹ 297.06 Lacs (Previous Year ₹ 230.64 Lacs)	11,609.62	588.67	12,198.29	11,702.42	440.08	12,142.50
(v) Stores and Spares	1,839.38	24.97	1,864.35	1,747.73	17.44	1,765.17
(vi) Packing Material	297.13	-	297.13	330.75	-	330.75
TOTAL	30,710.25	883.74	31,593.99	28,452.96	783.09	29,236.05

16 Trade Receivables Trade receivables outstanding for a period exceeding six months from the date they are due for payment						
(a) Secured, Considered good	23.90	-	23.90	65.01	45.79	110.80
(b) Unsecured, Considered good	966.22	135.91	1,102.13	772.96	-	772.96
(c) Unsecured consider Doubtful	541.36	59.07	600.43	355.46	69.51	424.97
Less: Provision For Doubtful Debts	(541.36)	(59.07)	(600.43)	(355.46)	(69.51)	(424.97)
	990.12	135.91	1,126.03	837.97	45.79	883.76
Trade receivables outstanding for a period less than six months from the date they are due for payment						
(a) Secured, Considered good	3,147.60	-	3,147.60	2,399.88	971.31	3,371.19
(b) Unsecured, Considered good	22,770.83	1,508.88	24,279.71	20,449.14	11.42	20,460.56
	25,918.43	1,508.88	27,427.31	22,849.02	982.73	23,831.75
TOTAL	26,908.55	1,644.79	28,553.34	23,686.99	1,028.52	24,715.51

Trade receivables (unsecured considered good) includes ₹ 266.62 lacs (Previous Year ₹ 331.65 lacs) due from companies in which director(s) or other officers of the company or any of them either severally or jointly with any other person is a director.

17 Cash and Bank balances I Cash and Cash Equivalents						
(a) Balance in Current Accounts	484.15	1.76	485.91	946.32	2.57	948.89
(b) Cheques on Hand / Remittances in Transit	306.10	-	306.10	379.37	-	379.37
(c) Cash on Hand	199.21	7.85	207.06	193.57	9.56	203.13
(d) Bank Deposits with less than 3 months maturity	-	250.00	250.00	-	125.00	125.00
	989.46	259.61	1,249.07	1,519.26	137.13	1,656.39
II Other Bank Balances						
(a) Earmarked Balance with Bank (Unclaimed Dividend)	190.42	-	190.42	22.11	-	22.11
(b) Bank Deposits with 3-12 months maturity	480.23	200.70	680.93	5.31	409.89	415.20
(c) Bank Deposits with initial period of more than 12 months maturity and due to mature within 12 months of reporting date	71.89	-	71.89	-	30.51	30.51
	742.54	200.70	943.24	27.42	440.40	467.82
TOTAL	1,732.00	460.31	2,192.31	1,546.68	577.53	2,124.21

	(₹ in lacs)					
	Consolidated with Subsidiaries	Share of Joint Ventures	As at 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	As at 31st March, 2015
18 Short-Term Loans and Advances						
Unsecured						
(i) Security Deposits Considered Good	589.86	11.28	601.14	582.11	9.44	591.55
Security Deposits Considered Doubtful	52.05	2.76	54.81	52.05	2.19	54.24
Less: Provision for Doubtful Deposits	(52.05)	(2.76)	(54.81)	(52.05)	(2.19)	(54.24)
(ii) Other Loans and Advances						
(a) Advances to Vendors	1,211.44	9.01	1,220.45	18.02	10.12	28.14
(b) Balance with Excise Department	868.07	41.15	909.22	9.21	34.68	43.89
(c) Taxes paid in advance (net of Provisions)	28.72	-	28.72	4.90	-	4.90
(d) Prepaid Expenses	376.75	-	376.75	366.81	-	366.81
(e) Others	287.68	86.98	374.66	2,727.89	63.57	2,791.46
TOTAL	3,362.52	148.42	3,510.94	3,708.94	117.81	3,826.75
19 Other Current Assets						
Unsecured, considered good unless stated otherwise						
(a) Other Receivables	209.92	1.63	211.55	408.07	5.43	413.50
(b) Interest Receivable	1.09	0.81	1.90	0.80	2.67	3.47
TOTAL	211.01	2.44	213.45	408.87	8.10	416.97
	Consolidated with Subsidiaries	Share of Joint Ventures	For the year ended 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	For the year ended 31st March, 2015
20 Revenue from Operations						
Sale of Products (Gross)	205,953.16	6,618.18	212,571.34	196,429.05	4,581.23	201,010.28
Less: Excise Duty	13,349.48	320.34	13,669.82	12,605.09	281.18	12,886.27
Sale of Product (Net)	192,603.68	6,297.84	198,901.52	183,823.96	4,300.05	188,124.01
Sale of Services	424.77	273.92	698.69	457.86	199.60	657.46
Other Operating Revenue						
(a) Sale of Scrap	357.66	26.08	383.74	403.58	38.54	442.12
(b) Technical and Management Fees	621.68	(274.52)	347.16	423.22	(187.94)	235.28
Revenue from Operations (Net)	194,007.79	6,323.32	200,331.11	185,108.62	4,350.25	189,458.87
21 Other Income						
Interest income	237.04	27.74	264.78	210.81	20.68	231.49
Foreign Exchange Gain (net)	29.74	1.47	31.21	-	-	-
Keyman Policy Refund	-	-	-	216.80	-	216.80
Others	-	-	-	3.65	-	3.65
Dividend Income	137.20	(94.06)	43.14	4.20	-	4.20
TOTAL	403.98	(64.85)	339.13	435.46	20.68	456.14
22 Cost of Materials Consumed						
(a) Opening Stock of Raw Materials	5,493.29	295.78	5,789.07	6,339.72	224.73	6,564.45
(b) Purchases	67,491.82	2,758.33	70,250.15	70,421.78	2,378.50	72,800.28
(c) Total of (a) + (b)	72,985.11	3,054.11	76,039.22	76,761.50	2,603.23	79,364.73
(d) Less: Closing Stock of Raw Materials	5,885.28	242.99	6,128.27	5,493.29	295.78	5,789.07
TOTAL	67,099.83	2,811.12	69,910.95	71,268.21	2,307.45	73,575.66

	Consolidated with Subsidiaries	Share of Joint Ventures	For the year ended 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	For the year ended 31st March, 2015
23 Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods						
Work-in-Progress	2,183.02	26.58	2,209.60	2,548.32	36.77	2,585.09
Stock in Trade	11,702.42	440.08	12,142.50	11,911.85	78.73	11,990.58
Finished Goods	6,995.75	3.21	6,998.96	8,055.21	98.96	8,154.17
	20,881.19	469.87	21,351.06	22,515.38	214.46	22,729.84
Closing Stock						
Work-in-Progress	2,481.24	23.40	2,504.64	2,183.02	26.58	2,209.60
Stock in Trade	11,609.62	588.67	12,198.29	11,702.42	440.08	12,142.50
Finished Goods	8,597.60	3.71	8,601.31	6,995.75	3.21	6,998.96
	22,688.46	615.78	23,304.24	20,881.19	469.87	21,351.06
Add / (Less) : Variation in excise duty on Opening and Closing stock of Finished Goods	358.44	(0.16)	358.28	117.69	24.72	142.41
TOTAL	(1,448.83)	(146.07)	(1,594.90)	1,751.88	(230.69)	1,521.19
24 Employee Benefits Expense						
Salary, Wages and Bonus	12,862.00	464.52	13,326.52	10,632.52	381.78	11,014.30
Contribution to Provident and Other funds	497.18	18.61	515.79	371.14	14.26	385.40
Workmen and Staff Welfare Expenses	954.17	46.30	1,000.47	917.89	19.31	937.20
TOTAL	14,313.35	529.43	14,842.78	11,921.55	415.35	12,336.90
25 Finance Costs						
(a) Interest on Term Loans	430.57	0.21	430.78	1,043.71	9.49	1,053.20
(b) Interest Paid to Banks	898.52	2.54	901.06	1,496.06	6.27	1,502.33
(c) Other Interest	403.49	3.91	407.40	358.76	5.55	364.31
(d) Other Borrowing Costs	54.67	10.44	65.11	68.22	3.93	72.15
TOTAL	1,787.25	17.10	1,804.35	2,966.75	25.24	2,991.99

	Consolidated with Subsidiaries	Share of Joint Ventures	For the year ended 31st March, 2016	Consolidated with Subsidiary	Share of Joint Venture	For the year ended 31st March, 2015
26 Other Expenses						
(a) Stores, Spare Parts Consumed	2,892.68	351.12	3,243.80	2,320.91	285.20	2,606.11
(b) Power and Fuel	4,241.91	37.86	4,279.77	4,259.64	39.85	4,299.49
(c) Repairs :						
Building	77.12	-	77.12	67.62	-	67.62
Machinery	254.84	0.12	254.96	286.25	0.99	287.24
Others	1,059.09	19.65	1,078.74	827.92	13.91	841.83
(d) Labour Charges	7,214.13	198.30	7,412.43	5,991.61	131.66	6,123.27
(e) Rent	4,615.23	25.82	4,641.05	4,649.94	17.20	4,667.14
(f) Rates and Taxes	332.67	0.06	332.73	270.00	0.07	270.07
(g) Insurance	287.96	9.47	297.43	233.20	7.50	240.70
(h) Postage and Telephone Expenses	538.70	-	538.70	414.83	-	414.83
(i) Loss on Sale of Fixed Assets/ Discarded (Net)	255.99	(1.15)	254.84	297.54	3.42	300.96
(j) Packing Material Consumed	2,005.40	1.14	2,006.54	1,849.29	1.60	1,850.89
(k) Travelling Expenses	1,460.92	121.39	1,582.31	1,294.18	93.63	1,387.81
(l) Commission	1,448.00	(1.12)	1,446.88	1,084.84	-	1,084.84
(m) Advertisements and Sales Promotion Expense	2,997.25	9.13	3,006.38	2,513.76	10.56	2,524.32
(n) Computer Expenses	553.16	-	553.16	542.85	-	542.85
(o) Transportation Cost (Net)	9,998.68	226.73	10,225.41	9,002.26	113.24	9,115.50
(p) Board Meeting Fees	25.20	-	25.20	14.00	-	14.00
(q) Provision for Wealth Tax	0.53	-	0.53	6.20	-	6.20
(r) Bad Debts written off	126.98	7.60	134.58	155.03	8.69	163.72
(s) Provision for Doubtful Debts and Advances	185.89	(9.87)	176.02	66.50	14.00	80.50
(t) Bank Charges	260.85	13.60	274.45	247.24	11.84	259.08
(u) Corporate Social Responsibility Expenses (Refer Note 40)	199.07	-	199.07	-	-	-
(v) Sundry Expenses	5,177.98	464.53	5,642.51	4,812.42	262.80	5,075.22
TOTAL	46,210.23	1,474.38	47,684.61	41,208.03	1,016.16	42,224.19

27. Significant accounting policies**(a) Principles of Consolidation:**

The consolidated financial statements comprise the financial statements of Nilkamal Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and jointly controlled entities.

The consolidated financial statements relate to the Group and jointly controlled entities. The consolidated financial statements have been prepared on the following basis.

- Interest in jointly controlled entities have been accounted by using the proportionate consolidation method as per "Accounting Standard – 27 (AS-27) Financial Reporting of Interest in Joint Ventures".
- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements".
- The financial statements of the Group and its jointly controlled entities are combined on a line by line basis by adding together the values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resultant unrealized profits or losses in accordance with accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 ('the Act'), to the extent applicable. All figures, unless otherwise stated, are Rupees in lacs.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- The financial statements of the subsidiaries and the jointly controlled entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Holding Company, i.e. 31st March, 2016.
- The Subsidiary Companies considered in the consolidated financial statements are :

Name of the Company	Country of Incorporation	% Ownership held as at 31 st March, 2016	% Ownership held as at 31 st March, 2015
Nilkamal Eswaran Plastics Private Limited	Sri Lanka	76%	76%
Nilkamal Eswaran Marketing Private Limited	Sri Lanka	76%	76%
Nilkamal Crates and Bins FZE	Ajman, UAE,	100%	100%

"Minority interest" represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since the date the parent subsidiary relationship comes into existence.

- The Jointly controlled entities considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% Ownership held as at 31 st March 2016	% Ownership held as at 31 st March, 2015
Nilkamal Bito Storage Systems Private Limited	India	50%	50%
Cambro Nilkamal Private Limited	India	50%	50%

(b) Basis of preparation of Consolidated Financial Statements:

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent applicable.

All the assets and liabilities have been classified as current or non current as per the Holding Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained the operating cycle to be 12 months.

(c) Exchange Translation:

All the foreign subsidiaries have been identified as non-integral operations. Accordingly, the summarised revenue and expense transactions of the Subsidiary Companies at the year-end reflected in the Consolidated Statement of Profit and Loss have been translated into Indian Rupees at average monthly exchange rate.

The assets and liabilities in the Consolidated Balance Sheet have been translated into Indian Rupees at the closing exchange rate at the year end.

The resultant translation exchange gain/loss has been disclosed as Translation Reserve under Reserve and Surplus.

(d) Use of Estimates:

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities including disclosure of contingent liabilities as on the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

(e) Fixed Assets:

Tangible Fixed Assets

Fixed assets are recorded at cost of acquisition or construction, net of tax credit wherever eligible. Cost includes all direct expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Fixed assets, which are not in use or are held for disposal are stated at cost less accumulated depreciation or at net realisable value, whichever is lower.

Intangible Fixed Assets

Intangible assets that are acquired by the Group and jointly controlled entities are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Intangible assets are amortised in the Consolidated Statement of Profit and Loss over the estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

(f) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceed its recoverable value. An impairment loss is charged to the Consolidated Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(g) Depreciation and Amortisation:

- (i) Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and dies and moulds which is based on technical evaluation. Management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for dies and moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;
- (ii) Cost of leasehold land is amortised over the period of lease;
- (iii) Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- (iv) Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- (v) (a) Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.
(b) Models, Designs and other Commercial rights (intangible assets) are amortised on a straight-line basis over a period of 60 months from the date of its put to use or based on the management's estimate of useful life over which the economic benefits will be derived.
- (vi) Individual assets except assets given on lease acquired for less than ₹ 5,000/- are depreciated entirely in the year of acquisition.

(h) Investments:

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long term investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost less provision, if any, for other than temporary diminution in value.

(i) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Group and jointly controlled entities. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

(j) Employee Benefits:**Short Term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the Consolidated Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation at the end of each year, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Consolidated Statement of Profit and Loss. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Other Long Term Employee Benefits**Compensated Absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's and jointly controlled entities liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

(k) Derivative financial instruments and hedge accounting

The Group and jointly controlled entities have adopted the principles for accounting of derivative instruments and hedge accounting as set out in Accounting Standard 30 (AS 30), "Financials Instruments: Recognition and Measurement" and to the extent it does not contradict any of the provisions of any of the notified accounting standards. The Group and jointly controlled entities use derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments, other than those which are accounted under the provisions of Accounting Standard 11, "Foreign Currency Transactions", are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Consolidated Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group and jointly controlled entities formally designates and documents the hedge relationship to which the Group and jointly controlled entities wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being

hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in shareholder's funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to Consolidated Statement of Profit and Loss for the year.

(l) Foreign Currency Transactions:

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary items in the form of current assets, current liabilities and loans in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

With effect from previous year 2011-12, exchange differences, in respect of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous consolidated financial statements, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, and in other cases, are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the consolidated financial statements and amortized over the balance period of such long-term asset/liability but not beyond the accounting period ending on or before 31st March, 2020.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

In respect of Forward Exchange contracts entered into to hedge foreign currency risks of an on-balance sheet foreign currency denominated asset or liability, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or Loss on cancellations / renewals of forward contracts is recognised during the year. In case of forward contracts against highly probable forecast transaction, mark to market loss, if any, is charged to Consolidated Statement of Profit and Loss.

(m) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred. Qualifying assets, are assets which necessarily take a substantial period of time to get ready for their intended used.

(n) Recognition of Income and Expenditure:

- (i) Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership, which is generally on the dispatch of goods. Gross sales are inclusive of excise duty, sales tax, but are net of trade discounts and sales returns.
- (ii) Income from services is recognised on completion of service.
- (iii) Revenue/Income and Cost/Expenditure are accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- (iv) Benefit on account of entitlement to import duty-free raw materials under advance license is estimated and accounted in the year of export as an adjustment to raw material consumption, provided there is a reasonable degree of certainty with regard to its ultimate realisation.
- (v) Liability for excise duty payable on stock in bonded warehouse at the year-end is provided for.
- (vi) Dividend income and keyman insurance policy refund is recognised when the right to receive the payment is established.
- (vii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- (viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Group and jointly controlled entities.

(o) Assets taken on Lease:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rents under operating lease are amortised over the period of lease on straight line basis and recognised in the Consolidated Statement of Profit and Loss on accrual basis.

Assets acquired on finance lease are capitalised at their fair market value on the date of acquisition and a corresponding lease liability is created for the same.

(p) Assets given on Lease:

The Group and jointly controlled entities has leased certain tangible assets and such leases where the Group and jointly controlled entities has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

(q) Taxation:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

In situations where there are carried forward losses and unabsorbed depreciation as per the Income Tax Act, 1961, of India, deferred tax assets are recognised only when there is virtual certainty supported by convincing evidence that such assets can be realised against future taxable profits. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realization. Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group and jointly controlled entities will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(r) Government Grants:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of contribution towards the Group's and jointly controlled entities total capital outlay are credited to Capital Reserve. Revenue grants are recognized in the Consolidated Statement of Profit and Loss as an adjustment to the respective expense in accordance with the related scheme and the period in which these are accrued.

(s) Provisions, Contingent Assets and Contingent Liabilities:

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and in respect of which reliable estimate can be made. At each Balance Sheet date, the carrying value of provisions is reviewed and adjusted to reflect the best current estimate. Contingent liabilities are not recognized but disclosed in the consolidated financial statements. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

(t) Expenditure during Construction Period:

In case of new Projects and in case of substantial modernisation / expansion at existing units of the Group and jointly controlled entities, all directly attributable expenditure specifically for the project, incurred upto the date of installation, is capitalised and added pro-rata to the cost of fixed assets.

28. Contingent Liabilities and commitments to the extent not provided for in respect of:

(a) Contingent liabilities :-

(₹ in Lacs)

		31st March, 2016	31 March, 2015
i)	Excise and Service Tax matters	203.26	190.88
ii)	Sales Tax matters *	2,044.03	1,701.77
iii)	Income Tax matters	4.16	4.16
iv)	On account of Cross Subsidy Surcharge on electricity	9.38	9.38

*Includes ₹ 972.61 Lacs (Previous Year ₹ 972.61 Lacs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: Excise and Service Tax, Sales Tax and Income Tax demands are being contested by the Group and jointly controlled entities at various levels. The Group and jointly controlled entities have been legally advised that it has a good case and the demands are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements/decisions pending with various forums/ authorities.

(b) Commitments

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1,011.43 Lacs (Previous Year ₹ 315.06 Lacs).
- (ii) Export commitment on Export Promotion Capital Goods license utilisation remaining to be executed ₹ Nil (Previous Year ₹ 8.05 lacs).

29. Provision for warranty and other provisions:

(₹ in Lacs)

Particulars	2015-16		2014-15	
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	465.95	-	365.84	-
Additions	582.10	75.00	427.54	-
Utilisations / Reversals	533.43	-	327.43	-
Closing Balance	514.62	75.00	465.95	-

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

30. Share Capital

a) Rights, preferences and restrictions attached to Equity Shares: The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group and its jointly controlled entities after distribution of all preferential amounts, in proportion to their shareholding.

b) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Vamanrai V. Parekh	1,795,462	12.03%	1,795,462	12.03%
Nilkamal Builders Private Limited	1,464,000	9.81%	1,464,000	9.81%
Sharad V. Parekh	1,292,908	8.66%	1,292,908	8.66%
Hiten V. Parekh	1,209,962	8.11%	1,209,962	8.11%
Nayan S. Parekh	1,201,473	8.05%	1,201,473	8.05%
Heirloom Finance Private Limited	912,000	6.11%	912,000	6.11%
Manish V. Parekh	814,415	5.45%	814,415	5.45%

c) Reconciliation of number of shares outstanding as on beginning and closing of the year

Particulars	Equity Shares			
	2015-16		2014-15	
	Number	(₹ in Lacs)	Number	(₹ in Lacs)
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

31. Borrowings:

(A) Secured Loans:

(a) Working Capital Loans:

Working capital facilities of ₹ 7,444.72 lacs (Previous Year ₹ 12,523.90 lacs) from Banks are secured on first pari passu basis by way of hypothecation of current assets of the Holding Company, second pari passu charge by way of equitable mortgage on the Holding Company's immovable property and personal guarantee of Director's Working capital loans repayable on demand having interest rate from 9.30% p.a. to 10.50% p.a. (Previous year 9.95% to 12.50%)

Share in Jointly Controlled Entities

Working capital facilities of ₹ 94.81 lacs (Previous Year ₹ 197.48 lacs) from Bank are secured by a first charge on current assets of the respective joint venture company and second charge on fixed assets of the respective joint venture company and personal guarantee of Director. Working capital loans repayable on demand having interest rate from 10.80 % p.a. to 12.35% p.a. (Previous year 11.25% to 13.75%).

(b) Term Loans:

Term loans of ₹ 3,055.71 lacs (Previous Year ₹ 8,178.90 lacs) from the Banks are secured on first pari passu basis by way of Equitable mortgage created on Holding Company's immovable properties situated at Sinnar (Maharashtra), Barjora (West Bengal), Noida (Uttar Pradesh), Vasona (UT of D & NH), Puducherry (UT), Kharadpada (UT of D & NH), Jammu (Jammu & Kashmir), Hosur (Tamil Nadu) together with all building and structures thereon and all Plant and Machinery, second pari passu charge by way of hypothecation of current assets of the Holding Company. Also personal guarantee of a Director had been provided for the Term loans, except for a foreign currency loan of ₹ 3,055.64 lacs (Previous Year ₹ 5,625.45 lacs)

Subsidiary Companies

Vehicle loan of ₹ Nil (Previous Year ₹ 2.91 lacs) is secured against specific assets.

(c) Terms of Repayment

(i) Rupee Term loan

Term loans were repayable in equal quarterly installments, last installments due for various draw downs from October 2015 to March 2016 as per repayment schedules, having interest rate from 11.60% p.a. to 12.25 % p.a. (Previous Year 11.50% to 14.00%) which are reset periodically.

(ii) Foreign currency loan

Foreign currency loan is repayable in equal quarterly/half yearly installments, last installments due on March, 2018 as per repayment schedules, having interest rate from 3 month LIBOR + 1.50% to 2.50 % which are reset periodically.

(B) Commercial Paper balance outstanding at the year end ₹ Nil (Previous Year ₹ Nil). Maximum balance outstanding during the year ₹ 5,000 Lacs (Previous Year ₹ 3,000 Lacs).

32. Cross Currency Interest Rate Swap:

The Group and its jointly controlled entities have adopted the principles of hedge accounting as set out in Accounting Standard (AS 30) on 'Financial Instruments: Recognition and Measurement', in respect of Cross Currency Interest Rate Swap (CCIRS) to hedge its foreign currency risk and interest rate risk, which are not covered by the requirements of Accounting Standard (AS 11) 'The Effects of Changes in Foreign Exchange Rates'. Accordingly ₹ 13.19 Lacs (Previous Year ₹ 20.05 Lacs) being difference arising on fair valuation of outstanding derivatives as on 31st March,, 2016 is disclosed in Cash Flow Hedge Reserve in the Consolidated Balance Sheet.

33. Disclosure in respect of derivative instruments:-

(a) Derivatives contracts entered by the Group and its jointly controlled entities and outstanding as at year end:-

(In lacs)

Particulars	Currency	2015-16		2014-15	
		Forward	Swap	Forward	Swap
Cross Currency Interest Rate Swap	USD	-	46.12	-	72.67
	₹	-	3,055.64	-	4,542.03
Imports Forward Contracts	USD	26.03	-	11.50	-
	₹	1,775.01	-	727.47	-
	EURO	1.59	-	1.40	-
	₹	118.99	-	108.48	-

- b) All derivative and financial instruments entered into by the Group and its jointly controlled entities are for hedging purpose only.
- c) Foreign currency exposure that are not hedged by derivative instruments as at year end.

(In lacs)

Particulars	Currency	2015-16	2014-15
Receivables	USD	18.24	11.14
	₹	1,218.32	697.02
	EURO	1.47	0.98
	₹	111.14	65.39
	GBP	0.21	0.03
	₹	19.97	3.14
	SGD	-	0.10
Payables	₹	-	4.51
	JPY	-	0.04
	₹	-	2.33
	USD	22.67	9.07
	₹	1,502.24	567.03
	EURO	2.52	1.01
	₹	190.24	67.88
Loan Taken	SGD	-	0.08
	₹	-	3.65
	JPY	11.04	6.08
	₹	6.51	3.16
	OMR	0.01	0.01
Cash and Bank Balances	₹	0.58	0.58
	USD	-	17.33
	₹	-	1083.42
	USD	0.03	-
	₹	1.90	-

34. Related Party Disclosures:**Names of related parties and description of relationship**

- i) Key Management Personnel
- Mr. Vamanrai V. Parekh, Chairman
Mr. Sharad V. Parekh, Managing Director
Mr. Hiten V. Parekh, Joint Managing Director
Mr. Manish V. Parekh, President & Executive Director-Furniture
Mr. Nayan S. Parekh, President & Executive Director-Material Handling
- ii) Relatives of Key Management Personnel
- Mrs. Dhruvi Nakul Kumar
Mr. Mihir H. Parekh
- iii) Enterprise owned or significantly Influenced by key Management personnel or their relatives, where transactions have taken place
- Nilkamal Crates & Containers
M. Tech Industries

(₹ in lacs)

	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel	Relatives of key management personnel	Key Management Personnel	Enterprises owned or significantly influenced by key management personnel	Relatives of key management personnel
	2015 – 2016			2014 – 2015		
Sale of Finished Goods	-	-	-	-	7.32	-
Nilkamal Crates & Containers	-	-	-	-	7.32	-
Purchase of Raw Materials, intermediaries and finished goods.	-	311.86	-	-	24.36	-
M. Tech Industries	-	311.86	-	-	24.36	-
Paid for Services & Labour Charges	-	253.22	-	-	224.25	-
M. Tech Industries	-	253.32	-	-	224.25	-
Rent Paid	-	251.16	9.84	5.40	211.72	5.01
Nilkamal Crates & Containers	-	251.16	-	-	211.72	-
Dhruvi Nakul Kumar	-	-	9.84	-	-	5.01
Mr. Vamanrai V. Parekh	-	-	-	5.40	-	-
Remuneration paid	1,068.90	-	-	472.20	-	-
Mr. Sharad V. Parekh	279.46	-	-	125.09	-	-
Mr. Hiten V. Parekh	279.14	-	-	126.40	-	-
Mr. Manish V. Parekh	265.31	-	-	118.31	-	-
Mr. Nayan S. Parekh	244.99	-	-	102.40	-	-
Salary Paid	-	-	18.41	-	-	-
Mr. Mihir Parekh	-	-	18.41	-	-	-
Board and Audit Committee Fees	3.80	-	-	2.15	-	-
Mr. Vamanrai V. Parekh	3.80	-	-	2.15	-	-
Reimbursement of Expenses	-	87.16	-	-	90.04	-
Nilkamal Crates & Containers	-	87.16	-	-	90.04	-
Deposits receivable	-	720.00	3.00	-	720.00	3.00
Nilkamal Crates & Containers	-	720.00	-	-	720.00	-
Mrs. Dhruvi Nakul Kumar	-	-	3.00	-	-	3.00
Other Receivable	-	-	-	-	7.32	-
Nilkamal Crates & Containers	-	-	-	-	7.32	-
Other Payables	-	28.24	-	-	79.82	1.01
Nilkamal Crates & Containers	-	6.93	-	-	0.52	-
Mrs. Dhruvi Nakul Kumar	-	-	-	-	-	1.01
M. Tech Industries	-	21.31	-	-	79.30	-
Guarantees given as security towards borrowings of the Holding Company	7,444.72	-	-	15,077.35	-	-
For working capital facilities guarantee jointly given by Mr.Vaman Parekh , Mr.Sharad Parekh, and Mr. Hiten Parekh	7,444.72	-	-	12,523.90	-	-
For Term loan Guarantee given by Mr. Sharad Parekh	-	-	-	2,553.45	-	-

Note : The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Group and its jointly controlled entities as a whole and separate figures are not available.

35. (a) (i) Operating Lease in respect of Property taken on Lease:

The Group has taken several warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancelable period upto 60 months having a renewable clause. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Lease payments recognised in the Consolidated Statement of Profit and Loss (includes contingent rent of ₹ 782.73 Lacs (Previous Year ₹ 613.34 Lacs))	4,160.13	4,452.33
(b)	Future minimum Lease Payments under non cancelable agreements.		
	(i) Not later than one year	1,276.53	1,274.12
	(ii) Later than one year and not later than 5 years	3,545.12	3,543.11
	(iii) Later than 5 years	348.12	547.65

(ii) Operating Lease in respect of Other Asset taken on Lease:

(₹ in lacs)

	Particulars	2015-16	2014-15
(a)	Lease payments recognised in the Consolidated Statement of Profit and Loss	480.92	214.81
(b)	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	438.77	246.40
	ii) Later than one year and not later than 5 years	853.64	558.81
	iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period upto 60 months. (Previous Year 48 months).

35. (b) Asset given on Operating Lease:

The Holding Company has leased out some of its Material Handling equipments. The lease term is in the range of 36-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. The carrying amounts of equipments given on operating leases and depreciation thereon for the period are:

(₹ in lacs)

	Particulars	2015-16	2014-15
(i)	Gross Carrying Amount	318.46	318.46
(ii)	Depreciation for the Year	52.95	56.21
(iii)	Accumulated Depreciation	177.15	124.20
	The Total future Minimum rentals receivable at the Balance Sheet Date is as Under		
(i)	For a period not later than one year.	3.60	76.42
(ii)	For a period more than one year but not later than 5 years	-	-
(iii)	For a period later than 5 years.	-	-

35. c) Assets acquired under finance lease arrangement:

(₹ in lacs)

	Particulars	2015-16	2014-15
	Future minimum Lease Payments under agreements.		
(i)	Not later than one year	-	3.01
(ii)	Later than one year and not later than 5 years	-	-
(iii)	Later than 5 years	-	-
	Present Value of Minimum Lease Payment	-	2.91
	Reconciliation between the total of minimum lease payments at the Balance Sheet date and their present value		
	Total Minimum Lease Payments	-	3.01
	Less : Interest	-	0.10
	Present Value of Minimum Lease Payment	-	2.91

36. Disclosure pursuant to Accounting Standard – 15 “Employee Benefits”:

(a) The Group recognised ₹ 515.79 lacs (Previous Year ₹ 385.40 lacs) for provident and other fund contributions in the Consolidated Statement of Profit and Loss.

(b) Defined Benefit Plan Disclosures:

(₹ in Lacs)

Sr. No.	Particulars	2015-16 Gratuity	2014-15 Gratuity
1	Components to employer Expense		
	(a) Current Service Cost	209.55	117.90
	(b) Interest Cost	84.55	65.04
	(c) Expected return of plan assets	(67.13)	(38.74)
	(d) Past Service Cost	-	-
	(e) Actuarial (Gain)/Loss	28.50	13.63
	(f) Total expense recognised in the Consolidated Statement of Profit and Loss	255.47	157.83
2	Net (Asset)/Liability recognised in Balance Sheet		
	(a) Present Value of Obligation	1,342.38	1,119.53
	(b) Fair Value of Plan Assets	(958.29)	(570.87)
	(c) (Asset)/Liability recognised in the Balance Sheet	384.09	548.66
	- Non-Current	113.88	455.66
	- Current	270.21	93.00
3	Change in Defined Benefit Obligation (DBO) during the year		
	(a) Present Value of Obligation as at beginning of the year	1,119.53	898.87
	(b) Current Service cost	209.55	117.90
	(c) Interest Cost	84.55	65.04
	(d) Past Service Cost	-	-
	(e) Actuarial (Gain)/Loss	(1.21)	40.29
	(f) Benefits paid	(70.04)	(2.57)
	(g) Present Value of Obligation as at the close of the year	1,342.38	1,119.53
4	Changes in the Fair Value of Plan Assets		
	(a) Present Value of Plan Assets as at beginning of the year	570.87	355.47
	(b) Contribution to the fund	350.00	150.00
	(c) Expected return of plan assets	67.13	38.74
	(d) Actuarial Gain/(Loss)	(29.71)	26.66
	(e) Fair Value of Plan Assets as at the close of the year	958.29	570.87
	(f) Actual return on plan assets	37.42	65.42
5	Actuarial Assumptions		
	(a) Discount Rate (per annum)	7.70%	8.00%
	(b) Expected Rate of Return on Assets (per annum)	9.00%	9.00%
	(c) Salary Escalation Rate (per annum)	7.00%	7.00%
	(d) Mortality	Indian Assured Life Mortality (2006-08) Ult.	Indian Assured Life Mortality (2006-08) Ult.
6	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets		
	Insurer Managed Funds	100%	100%

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Experience Adjustment

(₹ in Lacs)

Sr. No.	Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
1	Present Value of the defined benefit obligation	1,342.38	1,119.53	898.87	820.42	574.86
2	Fair value of the plan assets	958.29	570.87	355.47	221.43	201.35
3	Surplus / (deficit) in the plan	(384.09)	(548.66)	(543.40)	(598.99)	(373.51)
4	Experience adjustment on plan assets	(29.71)	26.66	(11.29)	1.96	(5.22)
5	Experience adjustment on plan liabilities	(32.48)	(50.67)	(0.04)	(14.64)	(11.48)
6	The estimated contribution to be paid to the plan during the annual period beginning after balance sheet date is ₹ 113.88 Lacs (Previous Year ₹ 91.37 Lacs)					

(c) Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated absence debited to Consolidated Statement of Profit and Loss during the year amounts to ₹ 296.62 lacs (Previous Year ₹ 223.41 lacs) and is included in Note 24 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 428.03 lacs (Previous Year ₹ 383.74 lacs) and current provision aggregates ₹ 318.45 lacs (Previous Year ₹ 255.03 lacs).

37. Segment Information

Segment Wise Revenue, Results and Other Information

A. Business Segment:

(₹ in Lacs)

Particulars	2015-16				2014-15			
	Plastics	Lifestyle Furniture, Furnishings & Accessories	Others	Total	Plastics	Lifestyle Furniture, Furnishings & Accessories	Others	Total
1 Revenue from Operations	168,771.13	23,804.73	9,906.29	202,482.15	161,468.00	21,749.56	7,853.74	191,071.30
Less: Inter Segment Revenue	2,151.04			2,151.04	1,612.43			1,612.43
Net Revenue from Operations	166,620.09	23,804.73	9,906.29	200,331.11	159,855.57	21,749.56	7,853.74	189,458.87
2 Segment Result before Tax & interest	22,026.39	(1,192.87)	668.42	21,501.93	11,867.46	(1,105.58)	391.95	11,153.83
Add/(Less): Minority Interest	191.50			191.50	78.34			78.34
	21,834.89	(1,192.87)	668.42	21,310.43	11,789.12	(1,105.58)	391.95	11,075.49
Less: Unallocated expense(Net of Unallocated Income)				2,783.99				1,078.81
Operating Profit				18,526.44				9,996.68
Less: Finance Costs				1,804.35				2,991.99
Add: Exceptional Income				-				-
Add/(Less): Prior Period Adjustment				-				-
Profit Before Tax				16,722.09				7,004.69
Less: Provision for Taxes(Net)				5,390.44				1,957.02
Net Profit After Tax				11,331.65				5,047.67
3 Other Information								
Segment Assets	81,694.95	10,441.65	5,595.33	97,731.93	75,985.50	12,354.18	5,683.58	94,023.26
Add: Unallocated Assets				2,707.56				3,164.05
Total Assets				100,439.49				97,187.31
Segment Liabilities	18,861.92	3,846.14	1,456.03	24,164.09	14,691.67	4,250.74	1,659.10	20,601.51
Add: Minority Interest	719.84	-	-	719.84	622.14	-	-	622.14
	19,581.76	3,846.14	1,456.03	24,883.93	15,313.81	4,250.74	1,659.10	21,223.65
Add: Unallocated Liabilities								
Loan Liabilities				10,595.24				20,903.19
Others				2,338.32				2,563.07
Total liabilities				37,817.49				44,689.91
Capital Expenditure	3,612.45	98.94	70.25	3,781.64	1,336.20	390.38	29.32	1,755.90
Depreciation and Amortisation	4,154.04	1,212.02	261.18	5,627.24	4,462.71	997.42	282.24	5,742.37
Significant Non Cash Expenses other than Depreciation and Amortisation	267.81	(5.00)	47.79	310.60	207.78	15.00	21.44	244.22

B Geographical Segment:

Sr. No.	Particulars	Year Ended 31st March, 2016			Year Ended 31st March, 2015		
		India	Rest of The World	Total	India	Rest of The World	Total
1	Segment Revenue(Net Sales)	184,461.03	15,870.08	200,331.11	177,234.07	12,224.80	189,458.87
2	Carrying cost of Segment Assets	88,291.08	9,440.85	97,731.93	92,925.33	1,097.93	94,023.26
3	Addition to Fixed Assets and -Intangible Assets	3,199.71	581.93	3,781.64	1,544.08	211.82	1,755.90

Notes:

- Segments have been identified in line with the Accounting Standard ('AS') on Segment Reporting (AS 17) taking into account the Group organisation structure as well as the differential risk and returns of these segments.
- The Group has disclosed business segment as the primary segment.
- Types of Products and Services in each business segment:

Sr No	Business Segment	Types of Products and Services
(i)	Plastics	Injection Moulded plastic articles, Polymers and others.
(ii)	Lifestyle Furniture, Furnishings and Accessories	Home Furniture, Home Furnishing and Accessories.
(iii)	Others	Storage System of Metal, Mass Housing, Mattresses, etc.

- The segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.
- The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Holding Company.

38. Additional information to be given under Schedule III to the Companies Act 2013, of enterprises consolidated as Subsidiary and Joint Venture

(₹ in Lacs)

Name of the entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent				
Nilkamal Limited	92.35%	58,347.47	91.68%	9,506.75
Foreign Subsidiaries				
Nilkamal Eswaran Plastics Private Limited	3.54%	2,173.79	5.19%	588.51
Nilkamal Eswaran Marketing Private Limited	0.08%	52.04	0.13%	15.16
Nilkamal Crates and Bins, FZE.	1.86%	1,143.33	2.40%	271.40
Minority Interests in foreign subsidiaries				
Nilkamal Eswaran Plastics Private Limited	1.12%	707.85	1.64%	185.85
Nilkamal Eswaran Marketing Private Limited	0.03%	16.44	0.04%	4.79
Indian Joint Ventures				
Nilkamal Bito Storage System Private Limited	4.20%	447.32	5.26%	595.73
Cambro Nilkamal Private Limited	1.03%	453.60	1.44%	163.46
Total	100.00%	63,341.84	100.00%	11,331.65

39. Earnings per share:

Particulars	2015-16	2014-15
Profit for the year after tax (₹ In Lacs)	11,331.65	5,047.67
Nominal Value per Share in Rupees	10.00	10.00
Weighted average number of equity shares Outstanding during the year	14,922,525	14,922,525
Basic and diluted earnings per share (₹)	75.94	33.83

40. Corporate Social Responsibility

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Indian companies within the group and its jointly controlled entities, if applicable. The Group and its jointly controlled entities has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

- a. Gross amount required to be spent by the Company during the year 2015-16 ₹ 109.85 lacs (Previous year ₹ 119.98 lacs).
- b. Amount spent during the year on : (₹ in lacs)

	Particulars	2015-16			2014-15		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i)	Construction/ acquisition of any asset	-	-	-	-	-	-
(ii)	On purpose other than (i) above	199.07	-	199.07	-	-	-
		199.07	-	199.07	-	-	-

41. Previous figures have been regrouped / reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED**For For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

For VORA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 111612W

Bharat B. Chovatia

Partner

Membership No. : 031756

Mumbai

May 14, 2016

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No : 44670

Mumbai

May 14, 2016

Priti P. Dave

Company Secretary

Membership No : 19469

Salient features of the financial statement of Subsidiaries / Joint Ventures

[Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014- AOC-1]

Part "A": Subsidiaries

(₹ in lacs)

Sr. No.	Name of Subsidiary	Nilkamal Eswaran Plastics Private Limited, Sri Lanka	Nilkamal Eswaran Marketing Private Limited, Sri Lanka	Nilkamal Crates and Bins - FZE (Ajman - UAE)
1	Reporting period for the subsidiary concerned	1st April, 2015 to 31st March, 2016	1st April, 2015 to 31st March, 2016	1st April, 2015 to 31st March, 2016
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 SLR = ₹ 0.44571	1 SLR = ₹ 0.44571	1 AED = ₹ 18.03557
3	Share Capital	67.75	0.0035	33.37
4	Reserve and Surplus	2,173.79	52.04	1,143.33
5	Total Assets	3,932.57	149.12	1,368.11
6	Total Liabilities	983.18	80.64	191.41
7	Investment other than investment in Subsidiary	-	-	-
8	Turnover and Other Income	4954.32	279.11	2,672.99
9	Profit before Taxation	935.74	32.97	271.40
10	Provision for Taxation (including Deferred Tax)	161.36	13.02	-
11	Profit after Tax	774.38	19.95	271.40
12	Dividend	203.24	1.69	360.71
13	% of shareholding	76.00%	76.00%	100.00%

Part "B": Joint Ventures

(₹ in lacs)

Sr. No.	Name of Joint Ventures	Nilkamal Bito Storage System Private Limited	Nilkamal Cambro Private Limited
1	Latest audited Balance Sheet Date	31st March, 2016	31st March, 2016
2	Shares of Associate/Joint Ventures held by the company on the year end	50.00%	50.00%
3	No. of Shares fully paid up of ₹ 10 each	2,220,000	105,000
4	Amount of Investment in Associates/Joint Venture	2,215.50	200.50
5	Extend of Holding %	50.00%	50.00%
6	Description of how there is significant influence	Joint Venture	Joint Venture
7	Reason why the associate/joint venture is not consolidated	N.A.	N.A.
8	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lacs)	2,662.82	654.10
9	Profit / Loss for the year		
a	Considered in Consolidation	595.73	163.46
b	Not Considered in Consolidation	595.73	163.46

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
NILKAMAL LIMITED
CIN : L25209DN1985PLC000162**

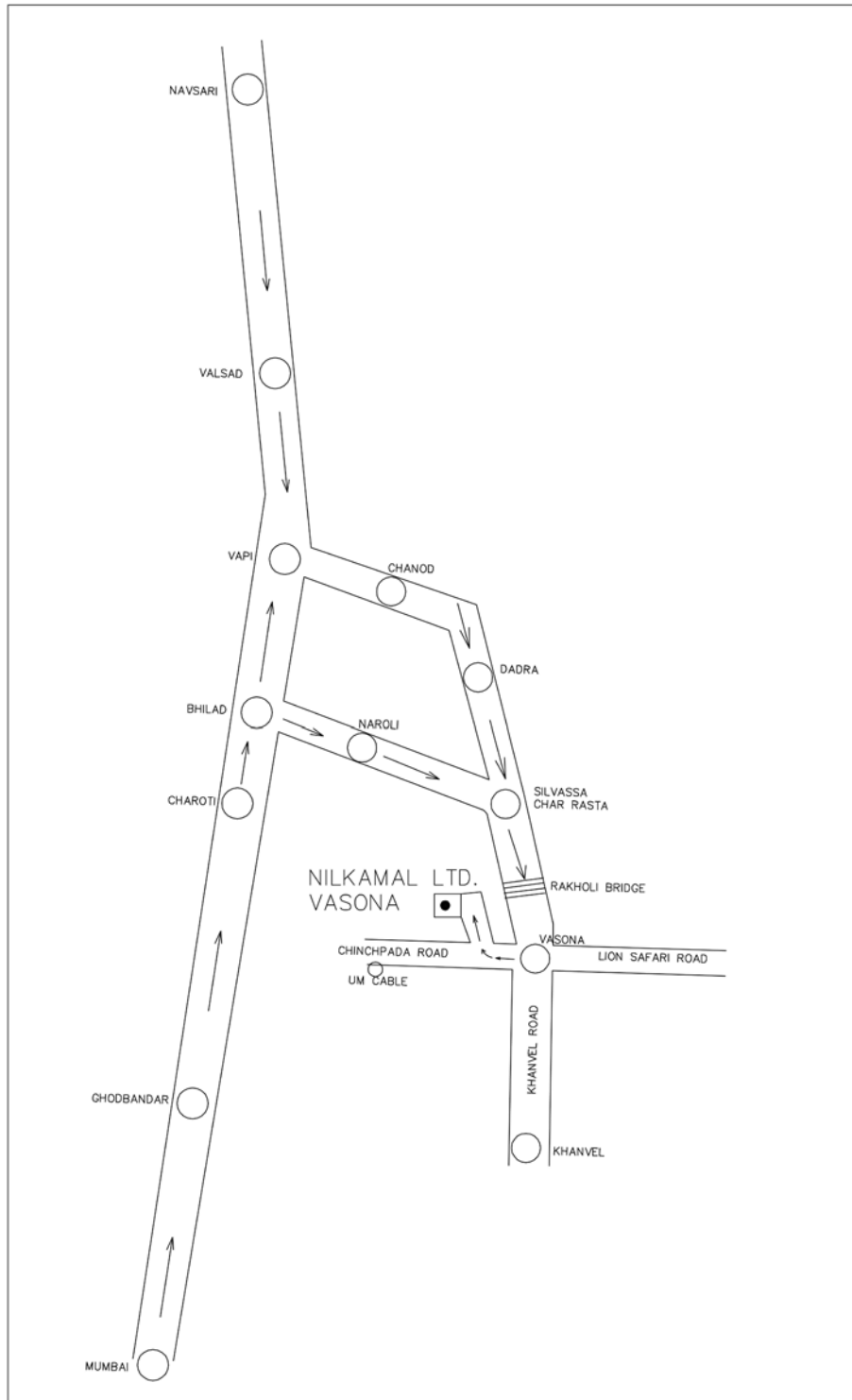
Sharad V. Parekh
Managing Director
DIN : 00035747

Hiten V. Parekh
Joint Managing Director
DIN : 00037550

Paresh B. Mehta
Chief Financial Officer
Membership No : 44670
Mumbai
May 14, 2016

Priti P. Dave
Company Secretary
Membership No : 19469

ROUTE MAP OF 30TH AGM VENUE





NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge,
Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of
Dadra and Nagar Haveli. Phone: 0260-2699082, Fax: 0260-2699023.

Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTIETH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 11, 2016.

ATTENDANCE SLIP

Sr No. :

Regd. Folio / DPID / Client ID	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

I / We hereby record my presence at the 30th Annual General Meeting of the Company, to be held on Thursday, August 11, 2016 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	*Default PAN
160712003	

* Only Members who have not updated their PAN with the Company / Depository Participant shall use the default PAN in the PAN field.

Note: i) Please read the Instructions printed under the Note No. 16 to the Notice of the 30th Annual General Meeting of the Company to be held on August 11, 2016. The voting period starts from Monday, August 8, 2016 at 10.00 a.m. and ends on Wednesday, August 10, 2016 at 5.00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

ii) Proxy Form is attached to the Annual Report.

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road,
Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Phone: 0260-2699082, Fax: 0260-2699023.

Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTIETH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 11, 2016

PROXY FORM

Name of the member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No. / DP ID/ Client ID: _____

I/We, being the member(s) of Nilkamal Limited, holding _____ shares of the 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 30th Annual General Meeting of the Company, to be held on Thursday, August 11, 2016 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of following resolutions :

Ordinary Business:

1. Consideration and adoption of the Audited Financial Statements including Audited Consolidated Financial Statement for the year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. Re-appointment of Mr. Hiten V. Parekh, who retires by rotation.
3. Appointment of Joint Statutory Auditors of the Company and fixing their remuneration.

Special Business:

4. Ratification of remuneration payable to Cost Auditors for the year 2016-2017.
5. Re-designation of Mr. Hiten V. Parekh as the Joint Managing Director.
6. Re-designation of Mr. Manish V. Parekh as President and Executive Director (Furniture).
7. Re-designation of Mr. Nayan S. Parekh as President and Executive Director (Material Handling).

Signed this _____ day of _____, 2016.

Signature of Member: _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp
₹ 1/-

- Note:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 30th Annual General Meeting.



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AHMEDABAD: Next to Grand Bhagwati Hotel, S.G. Highway. Tel.: (079) 26855536/37 **BANGALORE:** • **KORAMANGALA:** Near Forum Mall, Towards Christ College. Tel.: (080) 25501012/13 • **MARATHAHALLI:** Ring Road. Tel.: (080) 42197133/34 • **RAJAJINAGAR:** Opp. Brigade Gateway Towers. Tel.: (080) 23571635/45 **CHENNAI:** • **AMINJIKARAI:** Nelson Manickam Road, Tel.: (044) 23741531/32 **COIMBATORE:** D.B. Road, R.S. Puram. Tel.: (0422) 2473975/76 **CHANDIGARH:** Second Floor, Elante Mall. Tel.: (0172) 4655052/53/9988828405 • **GHAZIABAD:** Sahibabad, Link Road Highway, Next to Bikanerwala. Tel.: (0120) 4163632/33 **HYDERABAD:** • **BANJARA HILLS:** Next to Taj Krishna. Tel.: (040) 23316015/16 • **MADHAPUR:** Opp. Cyber Tower. Tel.: (040) 64623051/52/53 **MANGALORE:** 2nd Floor, Next To Reliance Trends, The Forum Fiza Mall, Pandeshwar Road, Pandeshwar. Tel.: (0824) 2498250/9844615852 **MYSORE:** 2nd Floor, Mall of Mysore. Tel.: (0821) 4521694/ 9916999424 **PUNE:** • **YERWADA:** Ishanya, Off Airport Road. Tel.: (020) 66405726/27 • **SHIVAJINAGAR:** Next to Shopper's Stop. Tel.: (020) 25520401/11 • **HADAPSAR:** Amanora Mall. Tel.: (020) 67260152/53 • **SURAT:** Crossway Mall, Ramchowk, Ghoddod Road. Tel.: (0261) 2235702/04 **VADODARA:** Centre Square Mall, Near Sarabhai Circle. Tel.: (0265) 3926662/66

CORPORATE OFFICE : Nilkamal Ltd., Nilkamal House, 14th Street, MIDC, Andheri (East), Mumbai - 400 093.
Tel.: 2681 8888 • Fax: 2837 2787 • Email: connect@at-home.co.in • www.at-home.co.in

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Nilkamal Limited



Head Office : Nilkamal House, 77/78, Road No. 13/14, M.I.D.C., Andheri (East), Mumbai - 400 093, INDIA. Tel. : (91-22) 2681 8888 / 2836 1366
Material Handling Division : Fax : (91-22) 2836 1923 / 2836 7891 ● E-mail : info@nilkamal.com
Furniture Division : Fax : (91-22) 2835 3556 ● E-mail : furniture@nilkamal.com ● **Visit us at :** www.nilkamal.com
@home Division : Fax : (91-22) 2837 2787 ● E-mail : connect@at-home.co.in ● **Visit us at :** www.at-home.co.in

Ref: 30th AGM /BSE/NSE

Date: 16-07-2016

To,
The Secretary
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001.

To,
The Secretary
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C/1, G
Block, Bandra Kurla Complex, Bandra East,
Mumbai-400 051.

SCRIPT CODE : 523385

SYMBOL : NILKAMAL

Dear Sir,

Sub: Notice of the 30th Annual General Meeting.

Please find attached herewith the Notice calling the 30th Annual General Meeting of the Company to be held on 11th August, 2016.

Kindly take the same on record.

Thanking you,

Yours faithfully
For **NILKAMAL LIMITED**

PRITI DAVE
(COMPANY SECRETARY)

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of NILKAMAL LIMITED will be held at the Registered Office of the Company at Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli, on Thursday, August 11, 2016 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Hiten V. Parekh (DIN: 00037550), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the recommendations of the Audit Committee and pursuant to the resolution passed by the members at the Twenty Eighth Annual General Meeting held on September 6, 2014, the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No. 101248W/ W-100022) and M/s. Vora and Associates, Chartered Accountants (ICAI Registration No. 111612W) as the Joint Statutory Auditors of the Company to hold office till the conclusion of the Thirty Second and Thirty First Annual General Meeting of the Company, respectively, be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration plus applicable service tax and reimbursement of out of pocket expenses payable to them for the financial year ended March 31, 2017 as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder as amended from time to time, M/s. B. F. Modi and Associates, Cost Accountants (Firm Registration No. 6955) appointed by the Board of Directors as Cost Auditors of the Company for the financial year 2016-2017 to conduct audit of cost records of the Company at remuneration of ₹ 3.00 Lacs (Rupees Three Lacs Only) plus service tax and reimbursement of out of pocket expenses at actual, be and is hereby ratified and confirmed.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Hiten V. Parekh (DIN: 00037550) who was earlier designated as Executive Director of the Company be and is hereby re-designated as the ‘Joint Managing Director’ of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Manish V. Parekh (DIN: 00037724) who was earlier designated as Executive Director of the Company be and is hereby re-designated as the ‘President and Executive Director (Furniture)’ of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

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

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 29th Annual General Meeting held on August 4, 2015, Mr. Nayan S. Parekh (DIN: 00037597) who was earlier designated as Executive

Director of the Company be and is hereby re-designated as the 'President and Executive Director (Material Handling)' of the Company with effect from November 2, 2015 for the remaining tenure of his appointment till March 31, 2020, on the same terms and conditions including remuneration as approved earlier by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to include its Committee constituted thereof to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the Special Businesses at Item Nos. 4 to 7 above is annexed hereto and forms a part of the Notice.
2. The relevant details of persons seeking re-appointment as Director under Item No. 2 of the Notice, as required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
5. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFS code) with their Depository Participant. Members holding shares in physical form are requested to provide the above details, along with their Folio Number, to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
6. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS, mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, alongwith the request for merging of folio etc., to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
7. For the purpose of availing Nomination facility, members holding shares in dematerialised form are required to lodge the nomination with their Depository Participant and members holding shares in physical form are required to fill and submit Form SH-13 (available on request) with the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited, for assistance in this regard.
9. Members, wishing to claim dividends, which remain unclaimed for the financial years 2009-2010 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B. S. Marg, Bhandup (W), Mumbai 400078. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund, no claim shall lie in respect thereof.
10. Any request for revalidation of dividend warrant(s) by any member of the Company may be directed to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
11. The Notice of the 30th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
12. The Annual Report 2015-2016 of the Company, circulated to the members of the Company, is also available on the Company's website at www.nilkamal.com and on the website of the stock exchanges where the shares of the Company are listed viz. BSE Limited – www.bseindia.com and National Stock Exchange of India Limited – www.nseindia.com.

13. Members desiring any information as regards the Accounts are requested to write to the Company atleast 10 days prior to the date of meeting so as to enable the Management to keep the information ready.
14. Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the Meeting. Members holding equity shares in electronic form, and proxies thereof, are requested to bring their DP ID and client ID for identification.
15. The route map showing directions to reach the venue of the Thirtieth AGM is annexed.
16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Thirtieth Annual General Meeting (AGM) by electronic means through remote e-voting platform provided by Central Depository Services Limited (CDSL). The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on August 8, 2016 at 10.00 am and ends on August 10, 2016 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 4, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "Nilkamal Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after June 30, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) **General Instructions:**
- a) A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
 - b) The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically by remote e-voting may only cast their vote at the AGM through ballot paper.
 - c) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. August 4, 2016. 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 i.e. August 4, 2016, only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
 - d) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date of August 4, 2016, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if the member is already registered with CDSL for remote e-voting then the member can use their existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot Password" option available on www.evotingindia.com.
 - e) Mr. Pratik M. Shah, Practicing Company Secretary (Membership No. FCS 7431), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - f) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
 - g) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.
 - h) The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.nilkamal.com and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the Stock Exchanges.

**By order of the Board
For Nilkamal Limited**

**Priti P. Dave
Company Secretary**

Place: Mumbai
Date: May 14, 2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. B. F. Modi and Associates to conduct the audit of the Cost Records of the Company for the financial year 2016-2017. In terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

Item Nos. 5 to 7

At the Twenty Ninth Annual General Meeting of the Company held on August 4, 2015, the members had re-appointed Mr. Hiten V. Parekh, Mr. Manish V. Parekh and Mr. Nayan S. Parekh as the Executive Directors of the Company for a period of five years with effect from April 1, 2015 and had also approved the terms and conditions of their appointment, including the remuneration payable to the said Executive Directors.

With a view of overseeing the succession planning of the top management personnel in the Company and considering the fact that the Executive Directors have been independently managing the critical business functions of the various business verticals of the Company and they have been in the current position for over two decades, it is considered desirable to recognize their role by appropriately re-designating them. The Company aims to deepen the focus in each of these verticals as well as drive synergies between them using the enriched experience of the said Executive Directors. Furthermore, this would also ensure that their designation appropriately reflects their top management role and responsibilities to the stakeholders at large.

Hence, in view of the same and based upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on November 2, 2015, approved the re-designation of the said Executive Directors for the remaining tenure of their respective appointment on the same terms and conditions including remuneration as approved earlier by the Members:

Mr. Hiten V. Parekh

Mr. Hiten V. Parekh – Executive Director, is associated with the Company since inception and in his early tenure was involved across all business functions of the Company, thereby gaining a through insight of the business. He is also to be credited for setting up the Company's manufacturing subsidiary at Sri Lanka. He looks after the functions of various factories of the Company and has also been instrumental in launching the Company's retail business under the brand name '@home' as well as the mattress business of the Company. He exercises constant vigil on quality control of the Company's products, which has enabled the Company to successfully obtain numerous quality standards certifications and awards. This has enabled the Company to uphold its status as a quality market leader in the industry and thus making the name of 'Nilkamal' synonymous with trust and quality in the minds of the customers.

In view of the same, it is proposed to elevate Mr. Hiten V. Parekh from the current designation of Executive Director to Joint Managing Director.

Mr. Hiten V. Parekh is interested in the resolution set out at Item No. 5 of the Notice. Mr. Manish V. Parekh – President and Executive Director and Mr. Vamanrai V. Parekh - Chairman, being related to Mr. Hiten V. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Hiten V. Parekh may be deemed to be interested in the resolution set out at Item No. 5 of the Notice to the extent of their shareholding interest, if any, in the Company.

Mr. Manish V. Parekh

Mr. Manish V. Parekh - the Executive Director of the Company is associated with the Company for around two decades. He oversees the moulded furniture business of the Company and is the pillar behind the enormous dealer network, which is beyond the reach of other players in the market and has resulted in the Company becoming a market leader in the country and the largest producer of moulded plastic furniture in the world. He contributed in building Nilkamal brand and making it generic amongst the households in India and Sri Lanka. He is also instrumental in launching the @home business of the Company, and building '@home' as a brand thus making the said business a prominent player in the organized retail sector. Further, he was successful in setting up an online portal for '@home' business of the Company.

In view of the same, it is proposed to re-designate Mr. Manish V. Parekh from the current designation of Executive Director to President and Executive Director (Furniture).

Mr. Manish V. Parekh is interested in the resolution set out at Item No. 6 of the Notice. Mr. Hiten V. Parekh – Joint Managing Director and Mr. Vamanrai V. Parekh - Chairman, being related to Mr. Manish V. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Manish V. Parekh may be deemed to be interested in the resolution set out at Item No. 6 of the Notice to the extent of their shareholding interest, if any, in the Company.

Mr. Nayan S. Parekh

Mr. Nayan S. Parekh - the Executive Director of the Company, is also associated with the Company for around two decades. He heads the Material Handling Business of the Company and is also responsible for looking into the operations of various factories of the Company. His constant endeavor towards innovation, designing and providing material handling solutions comparable to international standards has made Nilkamal a 'One Stop Material Handling Shop' for all industries. He has been instrumental in setting up two foreign Joint Ventures of the Company and also for setting up Company's profitable subsidiary viz NCB-FZE at Ajman, which is a free trade zone.

In view of the same, it is proposed to re-designate Mr. Nayan S. Parekh from the current designation of Executive Director to President and Executive Director (Material Handling).

Mr. Nayan S. Parekh is interested in the resolution set out at Item No. 7 of the Notice. Mr. Sharad V. Parekh – Managing Director, being related to Mr. Nayan S. Parekh may be deemed to be interested in the said Item.

Other relatives of Mr. Nayan S. Parekh may be deemed to be interested in the resolution set out at Item No. 7 of the Notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel or their relatives are interested or concerned in the aforesaid resolutions set out at Item Nos. 5 to 7 of the Notice.

Though the members consent is not required for the above re-designation, however, as a good corporate governance practice, the Board recommends the resolution set forth in Item Nos. 5 to 7 for the approval of the members.

**By order of the Board
For Nilkamal Limited**

**Priti P. Dave
Company Secretary**

Place: Mumbai
Date: May 14, 2016

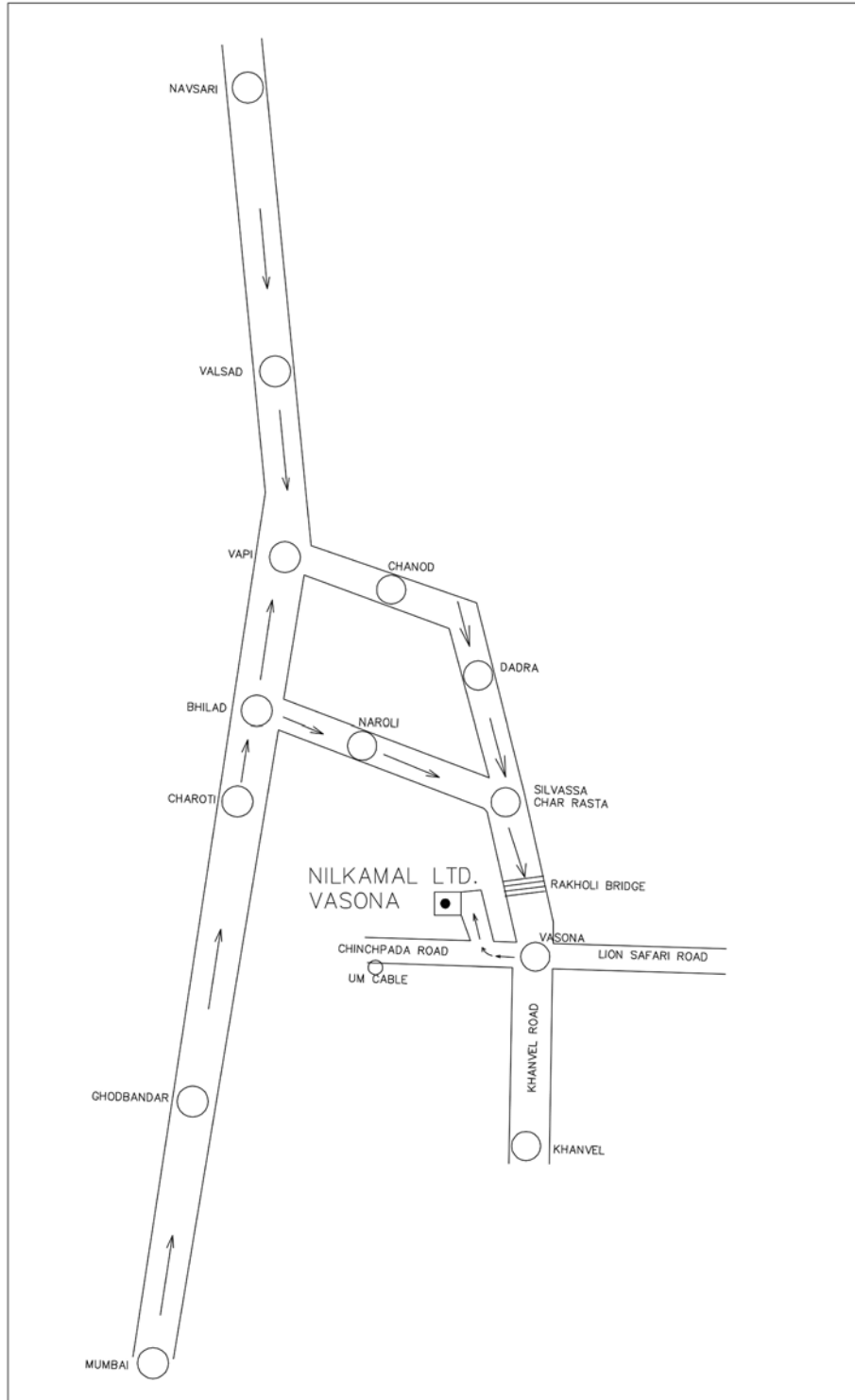
DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING
(Pursuant to Regulation 36 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Mr. Hiten V. Parekh

Director Identification Number (DIN)	:	00037550
Date of joining the board	:	December 9, 1985
Brief resume of the Director including nature of expertise in specific functional areas	:	<p>Mr. Hiten V. Parekh, aged 52 years, holds a bachelor's degree in Commerce from Mumbai University and a Diploma in Quality Systems and Management. He is associated with the Company since incorporation and has over 30 years of rich experience in the manufacturing sector. He overlooks the functions of several of its factories located across the country and acts as checkpoint for quality control and assurance of the Company's products, which has enabled the Company to uphold its status as a quality market leader in the industry and has also helped to gain several awards to the Company. He is one amongst the first few persons in the plastics processing industry to extend the Company's business out of India and took a step forward by setting up business at Sri Lanka.</p> <p>He is also instrumental in launching the Company's retail business of lifestyle furniture, furnishing and accessories under the brand name '@home' and the Company's foray into mattress business under the brand name 'Nilkamal Mattrezzz'.</p>
Relationship of Directors inter-se	:	Mr. Hiten V. Parekh is the son of Mr. Vamanrai V. Parekh and brother of Mr. Manish V. Parekh.
Number of shares held in the Company	:	1,209,962
Directorships and Committee memberships held in other companies*	:	None

*Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.

ROUTE MAP OF 30TH AGM VENUE





NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge,
Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of
Dadra and Nagar Haveli. Phone: 0260-2699082, Fax: 0260-2699023.

Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTIETH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 11, 2016.

ATTENDANCE SLIP

Sr No. :

Regd. Folio / DPID / Client ID	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

I / We hereby record my presence at the 30th Annual General Meeting of the Company, to be held on Thursday, August 11, 2016 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	*Default PAN
160712003	

* Only Members who have not updated their PAN with the Company / Depository Participant shall use the default PAN in the PAN field.

Note: i) Please read the Instructions printed under the Note No. 16 to the Notice of the 30th Annual General Meeting of the Company to be held on August 11, 2016. The voting period starts from Monday, August 8, 2016 at 10.00 a.m. and ends on Wednesday, August 10, 2016 at 5.00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

ii) Proxy Form is attached to the Annual Report.

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road,
Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Phone: 0260-2699082, Fax: 0260-2699023.

Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTIETH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 11, 2016

PROXY FORM

Name of the member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No. / DP ID/ Client ID: _____

I/We, being the member(s) of Nilkamal Limited, holding _____ shares of the 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 30th Annual General Meeting of the Company, to be held on Thursday, August 11, 2016 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of following resolutions :

Ordinary Business:

- | |
|---|
| 1. Consideration and adoption of the Audited Financial Statements including Audited Consolidated Financial Statement for the year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon. |
| 2. Re-appointment of Mr. Hiten V. Parekh, who retires by rotation. |
| 3. Appointment of Joint Statutory Auditors of the Company and fixing their remuneration. |

Special Business:

- | |
|---|
| 4. Ratification of remuneration payable to Cost Auditors for the year 2016-2017. |
| 5. Re-designation of Mr. Hiten V. Parekh as the Joint Managing Director. |
| 6. Re-designation of Mr. Manish V. Parekh as President and Executive Director (Furniture). |
| 7. Re-designation of Mr. Nayan S. Parekh as President and Executive Director (Material Handling). |

Signed this _____ day of _____, 2016.

Signature of Member: _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp
₹ 1/-

- Note:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 30th Annual General Meeting.