

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The Company is committed to good corporate governance and taking steps for implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of its shareholders to incorporation on the performance of the company and considers itself a trustee of its shareholders.

2. Board of Directors:

▪ Composition & category of Directors and their other Directorships and Committee Memberships:

The Board of Directors of the Company is having optimum combination of executive and Non-Executive Directors in compliance of Clause 49 of the Listing Agreement.

The Board of Directors of the Company comprises Five Members – Two (2) Executive Director and Three (3) Non-Executive and independent Directors. The composition of Board of Directors, the number of other Directorships or Board Committees of which he is a Member / Chairman is as under:

Name of Director	Category	Other Directorships/Board Committees	
		Directorships	Board Committee
Mr. Vrajlal Vaghasia	Promoter & Executive Director	NIL	NIL
Mr. Jitenkumar Vaghasia	Promoter & Executive Director	NIL	NIL
Mr. Kantibhai Devani	Non-Executive & Independent Director	NIL	NIL
Mr. Vinesh Babaria	Non-Executive & Independent Director	NIL	NIL
Mr. Ketanbhai Baldha	Non-Executive & Independent Director	NIL	NIL

- Directorships in other Companies mentioned above exclude Directorships in Private Limited Companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered pursuant to the Listing Regulation. None of the Director is a Member in more than ten Committees and acts as a Chairman in more than five Committees across all companies in which he is a Director.
- Mr. Vrajlal Vaghasia and Mr. Jitenkumar Vaghasia are relatives of each other.

▪ **Board Meetings:**

Six (6) Board Meetings were held, during the financial year 2015-16, details of Board Meeting are as under:

20 th April, 2015	30 th May, 2015	14 th August, 2015
6 th November, 2015	13 th February, 2015	5 th March, 2016

All the meetings of Board of Directors of the Company are scheduled well in advance and the Board meets at least once in a quarter to review the quarterly performance and the financial results. Agenda of the meeting were prepared and all necessary papers were circulated to Members of the Board in advance. All Members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in the Agenda for discussions.

▪ **Attendance of Directors at the Board Meetings and Last Annual General Meeting:**

Name of Director	Board Meetings Attended	Attendance in AGM (Yes/No)
Mr. Vrajlal Vaghasia	6	YES
Mr. Jitenkumar Vaghasia	6	YES
Mr. Ketanbhai Baldha	6	YES
Mr. Vinesh Babaria	6	YES
Mr. Kantibhai Devani	6	YES

3. AUDIT COMMITTEE:

▪ **Terms of Reference:**

The Audit Committee has been mandated with the same terms of reference specified in Clause 49 II of the Listing Agreement with the Stock Exchange, as revised from time to time and as well as those stipulated by SEBI Guidelines.

▪ **Composition:**

Presently, the Audit Committee comprises two Non-Executive and Independent Directors (Mr. Ketanbhai Baldha & Mr. Vinesh Babaria) and one Executive Director (Mr. Jitenkumar Vaghasia). Mr. Ketanbhai Baldha is a Chairman of the Audit Committee.

▪ **Meeting and the Attendance during the year 2015-16:**

Four (4) Audit Committee meetings were held during the year 2015-16. The Committee also met prior to finalization of accounts for the year ended on 31st March, 2016. The details of attendance at the Audit Committee meetings is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Ketanbhai Baldha	Chairman	4
Mr. Vinesh Babaria	Member	4
Mr. Jitenkumar Vaghasia	Member	4

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

4. NOMINATION AND REMUNERATION COMMITTEE:

- The Nomination and Remuneration Committee constitutes with Mr. Ketanbhai Baldha, Mr. Vinesh Babaria and Mr. Kantibhai Devani, all are Non-Executive and Independent Directors. Mr. Ketanbhai Baldha is a Chairman of the Committee.
- The Remuneration Committee recommends to the Board the compensation, terms of Executive Director(s) and its responsibilities include:
 - Identifying 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.
 - Formulation of criteria for evaluation of Independent Directors and the Board;
 - Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - Devising a policy on Board diversity.

During the period under review, one Nomination and Remuneration Committee meetings were held respectively on , 05.03.2016

Name of Director	Position	No. of Meetings	Meetings attended
Mr. Ketanbhai Baldha	Non-Executive and Independent Directors	1	1
Mr. Vinesh Babaria	Non-Executive and Independent Directors	1	1
Mr. Kantibhai Devani	Non-Executive and Independent Directors	1	1

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria.

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2015-16

- The Company paid remuneration to Managing Director and Whole Time Director.
- The Company does not have scheme for grant of stock option to the directors.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee, specifically, deals with the matters relating to redressal of shareholder and investor complaints such as transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.

The Committee comprises of three directors. Mr. Vinesh Babaria is the Chairman of the Committee and Mr. Ketanbhai Baldha and Mr. Jitenkumar Vaghasia are members of the Committee. During the year 2015-16, committee met four times.

During the year under review, the Company has not received any compliant.

6. DETAILS OF GENERAL MEETINGS

- **Annual General Meeting:**

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

Financial Year	Location	Date	Time
2012-2013	Plot No. 119-120,Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30 th September, 2013	4.00 P.M.
2013-2014	Plot No. 119-120,Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30 th September, 2014	4.00 P.M.
2014-2015	Plot No. 119-120,Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30 th September, 2015	4.00 P.M.

- **Extra Ordinary General Meeting:**

During the last three years, No Extra Ordinary General meeting (EGM) was held. The details of the EGM are as under:

- **Special Resolutions passed during last three years:**

During the last three years, no Special resolution was passed.

There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

7. Disclosures:

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large. There are no materially significant related party transactions during the Financial Year 2015-16 that may have potential conflict with the interest of the Company at large.

- Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority(ies), on any matter related to capital markets, during the last three years. The company has received notices from BSE Limited for non submission of various compliances under the Listing agreement.

Corporate Governance certificate: The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Listing Regulation.

- Whistle Blower Policy/ Vigil mechanism: The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee.

8. Means of Communication:

- Half -Yearly result is not sent to each shareholder.
- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement the Listing Regulation.
- No presentation has been made to Institutional Investors or to analysts.
- The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

9. Compliance Certificate of the Auditors:

The Certificate from the Auditors of the Company, M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad, confirming compliance with the conditions of Corporate Governance as stipulated under Cluase 49 of the Listing Agreement and Listing Regulation, is attached to the Directors' Report forming part of the Annual Report. This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

10. General Shareholder Information:

I. Annual General Meeting

Date and Time : **30th September, 2016 at 4.00 P.M.**
Venue : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
Dist.: Gandhinagar

II. Financial Calendar (Tentative)

Financial Year : 1st April 2015 - 31st March, 2016
First Quarter Results : Second week of August, 2015
Second Quarter Results : Second week of November, 2015
Third Quarter Results : Second week of February, 2016
Results for the year ending
31st March, 2016 : Last week of May, 2016

- III. Book Closure Date** : 26th September, 2016 to 30th September, 2016
(Both days inclusive)
- IV. Registered Office** : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol, Dist.: Gandhinagar
- V. Dividend Payment Date** : No dividend is recommended for the financial year 2015-16
- VI. Listing of Equity Shares on Stock Exchange:**

Your Company's equity shares are listed on

Sr. No.	Name of Stock Exchange	Address of Stock Exchange
1	The Ahmedabad Stock Exchange Ltd.	Kamdhenu Complex, Opp. Sahajanand College, Ambawadi, Ahmedabad – 380 015
2	The BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
3	The Saurashtra Kutch Stock Exchange Ltd	Popatbhai Sorathiya bhawan, Sardar Bazar, Rajkot – 360 001
4	Madras Stock Exchange Ltd	No. 30, Second Line Beach, Chennai – 600 001

Annual Listing Fees for the year 2013-14, 2014-15 and 2015-16 have been paid to the BSE.

VII. Stock Code:

- a) The Ahmedabad Stock Exchange Limited, Ahmedabad : 39200
 b) The BSE Limited, Mumbai : 517431
 c) The Saurashtra Kutch Stock Exc. Ltd. : Not Available
 d) The Madras Stock Exchange Ltd. : Not Available

VIII. Registrar & Share Transfer Agent:

The Company has appointed M/s. Purva Sharegistry Pvt. Ltd. as the Registrar and Share Transfer Agent for Demat shares w.e.f November, 2011 having their Registered Office at:

Unit no. 9, Shiv Shakti Ind. Estate,
J .R. Boricha marg, Opp. Kasturba Hospital Lane
Lower Parel (E) Mumbai 400 011
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517

IX. Share Transfer System:

Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 23rd March, 2001 as per circular issued by the Securities and Exchange Board of India (SEBI).

The transfer of shares in physical form is processed and completed by M/s. Purva Sharegistry Pvt. Ltd., Registrar & Share Transfer Agent, within the statutory stipulated period. In case where shares are held in electronic form, the transfers are processed by CDSL through the Depository Participants and Registrar.

X. Distribution of Shareholding (as on 31st March, 2016):

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
1-500	2273	82.18	787500	21.74
501-1000	278	10.05	249400	6.88
1001-2000	125	4.52	207200	5.72
2001-3000	44	1.59	117500	3.24
3001-4000	4	0.14	13100	0.36
4001-5000	17	0.61	80700	2.23
5001-10000	11	0.40	78200	2.16
10001 & Above	14	0.51	2089400	57.67
Total	2766	100.00	3623000	100.00

XI. Categories of Shareholding (as on 31st March, 2016):

Category of Holder	No. of Shares	% of Shareholding
Promoters / Persons acting in concert	1654600	45.67
Banks / Institutions / Mutual Funds	48700	1.34
Private Corporate Bodies	84400	2.33
Indian Public	1832500	50.58
NRIs	1500	0.04
Any other – (HUF)	1300	0.04
Total	3623000	100.00

XII. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

XIII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:

No GDRs / ADRs / Warrants issued by the company.

XIV. Investor Correspondence:

In case any problem or query shareholders can contact at:

Name : Mr. Jiten Vaghasia, Compliance officer
Address : Naramada Macplast Drip Irrigation Limited,
16/A Parulnagar Society, 1st floor, Bhuyandev Char Rasta,
Opp. Mahakali Temple, Sola Road, Gathlodia, Ahmedabad - 380061
Phone : +91 9824300528
Email : naramadadrip@gmail.com

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

RTA: PURVA SHAREGISTRY PVT LTD

Unit no. 9, Shiv Shakti Ind. Estate,
J .R. Boricha marg, Opp. Kasturba Hospital Lane
Lower Parel (E) Mumbai 400 011
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517

Annexure to Corporate Governance Report

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

We, **Vrajlal Vaghasia, Managing Director** and **Jiten Vaghasia, Whole Time Director** of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct. The Board has adopted a code of conduct for all Board members and senior management of the company.

The Company has taken Corporate Governance certificate from the Practising Chartered Accountant as part of best governance practices. by the Company issued which is given as an annexure to the Directors' Report.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 30th May 2016.

For Narmada Macplast Drip Irrigation Limited

Place: Ahmedabad

Date: 30/05/2016

Jiten Vaghasia
(DIN -02433557)
Whole time Director

Vrajlal Vaghasia
(DIN - 02442762)
Managing Director

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE
49 OF THE LISTING AGREEMENT(S)**

To
The Members of
Narmada Macplast Drip Irrigation Systems Limited

1. We have reviewed the compliance of conditions of Corporate Governance by **Narmada Macplast Drip Irrigation Systems Limited** (the Company) during the year ended **31st March, 2015** with the relevant records and documents maintained by the Company and furnished to us.
2. The Compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an express of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement except the following:
 - (a) *The Company has not appointed Woman Director as per Clause 49(II)(A)(1) of the Listing Agreement.*
4. We further 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, S. D. Mehta & Co.
Chartered Accountants
F.R. No. 137193W

Date: 30th May, 2016
Place: Ahmedabad

Shaishav Mehta
Partner
M. No. 32891