

38th

— ANNUAL REPORT —

2016 - 2017

COSCO (INDIA) LIMITED

**BOARD OF DIRECTORS**

DEVINDER KUMAR JAIN
NARINDER KUMAR JAIN
PANKAJ JAIN
MANISH JAIN
ARUN JAIN
NEERAJ JAIN
MOHAN LAL MANGLA
M. P. GUPTA
SUNIL KUMAR JAIN
VIJAY KUMAR SOOD
VIJENDER KUMAR JAIN
NISHA PAUL

MANAGING DIRECTOR AND CEO
MANAGING DIRECTOR
WHOLE TIME DIRECTOR AND CFO
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

REGISTERED OFFICE

COSCO (INDIA) LIMITED
CIN: L25199DL1980PLC010173
2/8, ROOP NAGAR,
DELHI-110007

BRANCH OFFICES

- 244, BASTI GUZAN, NEAR BABRIK CHOWK, JALANDHAR-144 002 (PUNJAB)
- BLDG. No. A-9, GALA No. 18 & 19, GROUND FLOOR, HARIHAR COMPLEX DAPODE, NEAR MANKOLI NAKA, TALUKA: BHIWANDI, DISTT. THANE-421302 (MAHARASHTRA)
- E-8, SECTOR-6, NOIDA-201 301 (U.P.)

WORKS

1688 -2/31, RAILWAY ROAD
NEAR RAILWAY STATION
GURGAON-122 001 (HARYANA)
E-MAIL: GURGAON@COSCO.IN

AUDITORS

M/S MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FLAT NO. 1003, 10TH FLOOR,
KAILASH BUILDING, K. G. MARG
NEW DELHI-110 001

BANKERS

BANK OF INDIA

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COSCO (INDIA) LIMITED (CIN: L25199DL1980PLC010173)

Registered Office: 2/8, Roop Nagar, Delhi-110007;

Website: www.cosco.in; Email: mail@cosco.in; Tel: 91-11-23843000; Fax: 91-11-23846000

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Eighth Annual General Meeting of the Members of Cosco (India) Limited (CIN: L25199DL1980PLC010173) will be held on Friday, the 29th September, 2017 at 10.30 A.M. at AMITABH, E-23, Bungalow Road, Kamla Nagar, Delhi -110 007 to transact the following business: -

ORDINARY BUSINESS

Item 1.

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2017 which includes Balance Sheet as at 31st March, 2017, Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended 31st March, 2017 and the Reports of the Directors' and the Auditors' thereon.

Item 2.

To appoint a Director in place of Mr. Neeraj Jain (DIN: 00190592), who retires by rotation and, being eligible, offers himself for re-appointment.

Item 3.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution;
"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. V. P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Auditors M/s. Madan & Associates, Chartered Accountants (Firm Registration No. 000185N), who shall hold office for a period of five consecutive years, from the conclusion of this annual general meeting until the conclusion of the Forty -Third annual general meeting of the Company, subject to ratification by shareholders at each annual general meeting to be held hereafter. Board of Directors be and are hereby authorized to fix their remuneration as may be recommended by Audit Committee in consultation with the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS

Item 4.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution(s);
"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Mr. Arun Jain (DIN: 01054316) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2017 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | | |
|-----|----------------------|--|
| i. | Salary | ₹ 190,000 per month w.e.f. 01.04.2017 for the current year ending 31 st March 2018 and ₹ 2,30,000 per month w.e.f. 01.04.2018 and thereafter with annual increment of ₹ 30,000 per month w.e.f. 01.04.2019. |
| ii. | House Rent allowance | 50% of Salary. |

Perquisites

Mr. Arun Jain shall also be eligible to the following perquisites:

Part A: (Not to be included in ceiling on remuneration):

- | | | |
|------|--|---|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder |

Part B: (To be included in ceiling on remuneration):

- | | | |
|----|------------------------|--|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 lac per annum. |
|----|------------------------|--|



| | |
|---------------------------------|--|
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |
| iii. Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Mr. Arun Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

Item 5.

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Mr. Manish Jain (DIN: 00191593) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2017 as per the terms, conditions and remuneration set forth herein.

Remuneration

| | |
|--------------------------|--|
| i. Salary | ₹ 1,90,000 per month w.e.f. 01.04.2017 for the current year ending 31 st March 2018 and ₹ 2,30,000 per month w.e.f. 01.04.2018 and thereafter with annual increment of ₹ 30,000 per month w.e.f. 01.04.2019 |
| ii. House Rent allowance | 50% of Salary. |

Perquisites

Mr. Manish Jain shall also be eligible to the following perquisites:

Part A: (Not to be included in ceiling on remuneration):

| | |
|---|---|
| i. Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof |
| ii. Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder |

Part B: (To be included in ceiling on remuneration):

| | |
|-------------------------------|--|
| i. Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 lac per annum. |
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |

- | | |
|---------------------------------|--|
| iii. Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Mr. Manish Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and are hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

Item 6.

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Mr. Pankaj Jain (DIN: 00190414) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2017 as per the terms, conditions and remuneration set forth herein..

Remuneration

- | | |
|--------------------------|--|
| i. Salary | ₹ 1,90,000 per month w.e.f. 01.04.2017 for the current year ending 31 st March 2018 and ₹ 2,30,000 per month w.e.f. 01.04.2018 and thereafter with annual increment of ₹ 30,000 per month w.e.f. 01.04.2019 |
| ii. House Rent allowance | 50% of Salary. |

Perquisites

Mr. Pankaj Jain shall also be eligible to the following perquisites:

Part A: (Not to be included in ceiling on remuneration):

- | | |
|---|---|
| i. Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof |
| ii. Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder |

Part B: (To be included in ceiling on remuneration):

- | | |
|-------------------------------|--|
| i. Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 lac per annum. |
| ii. Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |



- | | | |
|------|----------------------------|--|
| iii. | Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. | Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Mr. Pankaj Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and are hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

Item 7.

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company, be and is hereby accorded to the reappointment of Mr. Neeraj Jain (DIN: 00190592) as Whole Time Director of the Company in the whole time employment of the Company for a period of Three (3) years with effect from 1st October 2017 as per the terms, conditions and remuneration set forth herein.

Remuneration

- | | | |
|-----|----------------------|--|
| i. | Salary | ₹ 1,90,000 per month w.e.f. 01.04.2017 for the current year ending 31 st March 2018 and ₹ 2,30,000 per month w.e.f. 01.04.2018 and thereafter with annual increment of ₹ 30,000 per month w.e.f. 01.04.2019 |
| ii. | House Rent allowance | 50% of Salary. |

Perquisites

Mr. Neeraj Jain shall also be eligible to the following perquisites:

Part A: (Not to be included in ceiling on remuneration):

- | | | |
|------|--|---|
| i. | Contribution to Provident Fund, Superannuation or Annuity Fund | Contribution to Provident Fund, Superannuation or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act including any statutory modification(s) or re-enactment thereof |
| ii. | Gratuity | Gratuity payable at a rate not exceeding half month's salary for each completed year of service. |
| iii. | Leave encashment | As permissible under The Companies Act 2013 and Schedule V and Rules framed thereunder |

Part B: (To be included in ceiling on remuneration):

- | | | |
|-----|---------------------------|--|
| i. | Furniture & Furnishing | The Company will provide furniture and furnishing for the residential accommodation subject to ceiling of ₹ 1 lac per annum. |
| ii. | Medical & Hospitalization | Actual Medical expenses including hospitalization for self and dependent members of family. |

- | | | |
|------|----------------------------|--|
| iii. | Accident Insurance Premium | Annual premium subject to ceiling of ₹ 10,000 per annum. |
| iv. | Leave Travel Concession | For self and family as permissible in the Income Tax Act and Rules. |
| v. | Car with Driver | Shall be provided for use for Company's Business. In case driver is not provided then the Company shall reimburse the actual expenses incurred by the Director for engaging a driver. |
| vi. | Telephone(s) | Telephone(s) shall be provided at the residence for the benefit of Company's business, the cost of which shall be borne/paid by the Company. Mobile Phone (s) to be provided for Company's business use. |
| vii. | Club(s) Fees & Expenses | Fees and expenses for self and family subject to a maximum of ₹ 50,000 per annum. |

The perquisite value of above perquisites if so specified, shall be computed as per provisions of the Companies Act, 2013 read with Rules framed there under. Otherwise the same shall be taken as per Income Tax Act and Rules/Company Rules / other applicable Statutory provisions in force from time to time as the case may be.

Explanation: Family means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT in the event of inadequacy or absence of Profit in any financial year, the remuneration payable to Mr. Neeraj Jain shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any statutory amendment/modification(s) thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) in the Companies Act, 2013 and/or Schedule V of the Companies Act, 2013, the Board of Directors and/or Committee thereof be and is hereby authorized to alter and vary and/or restructure the remuneration including the Salary, Perquisites, Allowances etc. within such prescribed limits or ceiling without any further Resolution or consent or reference to the members in General Meeting, subject however to the provisions of Section 197 of the Companies Act, 2013 and subject further to the same falling within the powers of the Nomination and Remuneration Committee and Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the above Resolution(s)".

Item 8.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Ms. Nisha Paul (DIN: 00325914), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."

Item 9.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Shri Mahavir Prasad Gupta (DIN: 00190550), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."

Item 10.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Shri Sunil Kumar Jain (DIN: 00387451), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."



Item 11.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Shri Mohan Lal Mangla (DIN: 00311895), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."

Item 12.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Shri Vijender Kumar Jain (DIN: 06423328), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."

Item 13.

To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution(s);

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Shri Vijay Kumar Sood (DIN: 01525607), who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for reappointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby Re-appointed as an Independent Director of the Company w.e.f. 1st October, 2017 to hold office for Five (5) consecutive years for a term up to 30th September 2022."

NOTES

- 1. Proxy : A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll on his behalf.** A proxy need not be a member of the Company. Proxies in order to be effective must be received at the office of the Registrar and Share Transfer Agents of the Company M/s Skyline Financial Services Pvt. Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi-110020. Duly completed and Signed, not less than Forty Eight hours before the commencement of the Annual General Meeting (on or before 27th September, 2017 10.30 A.M. IST).

A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the 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 Member. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by appropriate resolution(s)/ authority, as applicable.

Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

In case, of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
- 2. Members, Proxies and Authorised Representatives** are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No along with a valid identity proof such as the PAN card, passport, Aadhar card or driving license to enter the AGM hall. Corporate Members are requested to send a duly certified copy of the Board Resolution(s) authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- 3. Brief resume of Directors** proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 are annexed hereto read with the 'Report on Corporate Governance Annexure E1 to the Directors' Report'. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/ reappointment.
- 4. In pursuance of the Circulars** issued by the Ministry of Corporate Affairs, Government of India, the provisions of the Companies Act 2013 and the Rules made thereunder, electronic copy of the Annual Report for the Financial Year 2016-17 and Notice of the Thirty

Eighth Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 and the Notice of the Thirty Eighth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

Members may also note that the Notice of the Thirty Eighth Annual General Meeting and the Annual Report for financial year 2016-17 will also be available on the Company's website i.e. www.cosco.in for their download.

5. Members who have not registered their e-mail address so far are requested to register their e-mail address (or change, if any therein) with your Depository Participant (where shares are held in dematerialized form) or by sending an email to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt Ltd. stating clearly their name, folio no. if they are holding shares in physical form/DP Id & Client Id if they are holding shares in dematerialized form.

Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.

6. All relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during normal office hours on all working days except Sundays and Holidays between 10.00 A.M. 6.00 P.M. up to the date of the Annual General Meeting of the Company. The Register of Directors and Key Managerial Personnel and their Shareholding kept under section 170(1) of the Companies Act, 2013 shall be open for inspection at the Annual General Meeting of the Company. The Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
7. Register of Members and the Transfer Books for Equity Shares of the Company shall remain closed from 23rd September, 2017 to 29th September, 2017 (Both days inclusive) for the purpose of ascertaining the names of Members.
8. Please send all correspondence including requests for transfer/transmission/Demat of Shares, change of address etc. to the Registrar and Share Transfer Agents, M/s Skyline Financial Services Pvt. Ltd., D 153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020. Ph. 26812682, 26812683. E-mail ID: admin@skylinerta.com.
9. Members holding shares in more than one folio in identical order of names are requested to write to the Registrar and Share Transfer Agents enclosing their share certificates to enable the Company to consolidate their holdings in one folio to facilitate better service.
10. (i) Members seeking any information with regard to accounts or operations are requested to write to the Company latest by 20th September, 2017 so as to enable the management to keep the information ready.

Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):

(ii) Members wishing to claim dividends, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agent and Company Secretary, at the Company's Registered Office. Members are requested to note that Dividends not claimed within Seven Years from the date of transfer to the Company's Unpaid/ Un Claimed Dividend Account, will be as per Section 124 of the Companies Act, 2013 (Section 205A of the Companies Act, 1956) be transferred to the Investor Education and Protection Fund established by the Central Government.

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amounts of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid/Unclaimed Dividend Accounts of the Company are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The amount of unclaimed dividend for the financial year ended March 31, 2016 would be transferred to the IEPF in FY 2022. The Act has also provided that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF is also required to be transferred to the IEPF Authority. The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') on September 7, 2016 and further amendment and clarification on the same which provides for manner of transfer of unpaid and unclaimed dividends to IEPF and also the manner of transfer of shares in respect of which dividend has not been encashed by the Members for a continuous period of seven years to the IEPF Authority. The Rules also prescribe the procedures to be followed by an investor to claim the shares/amount transferred to IEPF. To enable such Members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

The Ministry of Corporate Affairs ('MCA') on May 10, 2012 notified the Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends on the website of the Company under 'Investors' section viz. www.cosco.in



11. Voting Process :

The Company has appointed Mr. Ravi Sharma, Partner of M/s. RSM&Co, Practising Company Secretaries, D-63, JFF Complex, Jhandewalan, New Delhi-110055; as scrutinizer for conducting and scrutinizing the voting process (Ballot Paper as well as Remote E voting) in a fair and transparent manner.

11.1 E-Voting Facility: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 as Amended by The Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to all members of the Company to enable them to cast their votes electronically on the items/resolutions mentioned in this notice of the Annual General Meeting (AGM). The Company has availed the remote e-voting services as provided by National Securities Depository Limited (NSDL).

The instructions for remote e-voting are as under:

- a) For Members whose email addresses are registered with the Company/Depository Participant(s)
The members who receive e-mail from NSDL should open the PDF file attached with the e-mail with your Client ID or Folio No. The said PDF file contains his/her user ID/ Password for e-voting. Please note that the password is an initial password.
- b) For Members whose email addresses are not registered with the Company/Depository Participants
The members who receives AGM Notice in physical form, the "USER-ID" and initial "PASSWORD" for remote e-voting is provided on the covering letter enclosed with Notice of AGM.
- c) In case, any member does not receive 'User-ID' and 'Password' as mentioned in Sr. No. (a) and (b), then, they shall contact the NSDL on toll free no. 1800-222-990.
- d) The following steps should be followed for casting the vote through remote e-voting (In both the cases mentioned at Sr. No. (a) and (b) above:
 - (i) Open internet browser and type the following URL: <https://www.evoting.nsdl.com/>
 - (ii) Click on Shareholder Login.
 - (iii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forget your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com Or contact NSDL at the following toll free no. 1800-222-990.
 - (iv) If you are logging in for the first time, please enter the user ID and password provided through e-mail (as per Sr. No (a) above) or in covering letter enclosed with Notice of AGM (as per Sr. No (b) above), as the case may be.
 - (v) Password change menu will appear on your screen. Change to a new password of your choice; ensure that it contains a minimum of 8 digit or characters or a combination of both. Please keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active voting cycle.
 - (vii) Select "EVEN" (E-Voting Event Number) of "Cosco (India) Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) The voting rights of the shareholders shall be reckoned in proportion to their shares held in the total paid up equity share capital of the Company as on cut-off date i.e., 22nd September, 2017.
 - (x) Cast your vote by selecting appropriate option and click on "Submit" and "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xii) Once you have voted on the resolution, you will not be allowed to change/modify your vote.
 - (xiii) Corporate/Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF format) of the Board Resolution/Authority letter, etc. together with attested specimen signature(s) of duly authorized representative (s), to the Scrutinizer through e-mail at info@csrms.com or admin@skylinerta.com with a copy marked to evoting@nsdl.co.in and a copy to sudha@cosco.in, Company Secretary of the company.
 - (xiv) Members holding multiple folios/demat accounts shall vote separately for each of the folio /demat accounts.
 - e) The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote.
 - f) The remote e-voting period shall commence on Monday, 25th September, 2017 (9:00 A.M.) and ends on Thursday, 28th September, 2017 (5:00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Thereafter, the remote e-voting facility will be blocked.
 - g) Any person who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of 22nd September, 2017, may obtain their login ID and password for e-voting by sending a request to Company's Registrar & Share Transfer Agent at admin@skylinerta.com or NSDL.evoting@nsdl.co.in.

- h) In case of any queries, you may refer the Frequently Asked Question (FAQs) Shareholders and remote e-voting user manual Shareholders, available at the downloads section of www.evoting.nsdl.com.
 - i) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.
 - j) Any person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories/Share transfer agent as on cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot/polling Paper.
- 11.2 The facility for voting, through ballot/ polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- 11.3 The Voting rights of members shall be in proportion to their shares in the paid up equity shares capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting through ballot/polling paper.
- 11.4 The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the AGM by Ballot/Polling Papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The results of remote e-voting and votes casted at the meeting shall be aggregated. The Scrutinizer shall make, within a period not exceeding three days from the conclusion of the AGM; a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of the meeting or a person authorized by him in writing.
- 11.5 The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.cosco.in and on the website of NSDL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be communicated to the stock exchange where the shares of the Company are listed.
12. As per the provision of Section 72 of the Companies act, 2013, the facility for making nomination is available for the Members in respect of the Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.cosco.in Members holding shares in physical form may submit the same to Registrar and Share Transfer Agent of the Company, viz. M/s Skyline Financial Services Pvt. Ltd., Add: D 153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020. Members holding shares in electronic form may submit the same to their respective depository participants.
13. Pursuant to the provisions of Secretarial Standard -2 of the Institute of Company Secretaries of India The route map along with prominent land mark for easy location of the 38th Annual General Meeting venue printed on the last page of the Annual report.

Registered Office:
2/8, Roop Nagar,
Delhi -110007

Place: Delhi
Date: 21st August, 2017

By order of the Board of Directors

Devinder Kumar Jain
(DIN: 00191539)
Managing Director and CEO



Explanatory Statement

Item No. 3.

Explanation : The relevant provisions of The Companies Act, 2013 ('the Act') were notified effective April 1, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of Statutory Auditors.

Pursuant to these provisions the current Statutory Auditors, viz M/s. Madan & Associates, Chartered Accountants (Firm Registration No. 000185N), were last re-appointed by the members at their annual general meeting held on 30th September, 2014 to hold the office of auditor from the conclusion of the Thirty-fifth annual general meeting till the conclusion of this Thirty Eighth Annual General Meeting. The incumbent auditors, M/s. Madan & Associates, Chartered Accountants (Firm registration number: 000185N) will be completing the permissible transitional period of three years at the ensuing 38th AGM. Hence, on their completing the transition period of three years provided under the Act, the term of the current auditors expires at the conclusion of the ensuing annual general meeting.

The Board of Directors at its meeting held on 21st August 2017, based on the recommendation of the Audit Committee has recommended the appointment of M/s. V. P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N), as the Statutory Auditors of the Company for approval by the members. M/s. V. P. Jain & Associates, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (g) of the Act and that they are not disqualified to be appointed as Statutory Auditors, in terms of section 141 of the Act. M/s. V. P. Jain & Associates, Chartered Accountants will be appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 38th Annual General Meeting of the Company till the conclusion of the 43rd Annual General Meeting to be held in 2022 subject to ratification of their appointment by the members at every intervening annual general meeting on a remuneration, out-of-pocket expenses etc., incurred in connection with the Audit as may be decided by the Board in consultation with the auditors from year to year.

Brief profile of the Auditors is as under:

M/s. V. P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N) is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The audit firm was established in the year 1998 and is a partnership firm constituted in India. It has registered office at Ambika Bhawan, F-1, 4658-A/21, Ansari Road, Darya Ganj, New Delhi 110002. It has valid Peer Review certificate. It is primarily engaged in providing audit and assurance services to its clients. None of the directors or key managerial personnel or their relatives are concerned or interested in the said resolution.

The Board commends the resolution for approval.

Statement Pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4.

Mr. Arun Jain, aged 51 years, is B.E., M. Tech. He has vast experience of more than 25 years of industrial Relation & Management and Research & Development of Rubber & Polymer Products. The Board of Directors feel that the experience of Mr. Arun Jain will be of immense help to the Company.

Mr. Arun Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2014 for a period of 3 years w.e.f. 1st October, 2014. His term will expire on 30th September, 2017.

The Board recommends the reappointment of Mr. Arun Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2017 upon the remuneration, terms & condition as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Mr. Arun Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act 2013.

Shri Devinder Kumar Jain Managing Director and CEO, and Mr. Manish Jain-Whole Time Director are concerned or interested in the said Resolution(s). None of the Other Directors/ Key Management Person(s) or his relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 4.

The above may be treated as written memorandum setting out terms of re-appointment of Mr. Arun Jain under section 190 of the Companies Act, 2013.

Item No. 5.

Mr. Manish Jain, aged 47, is a qualified Engineer and MBA having business experience of about 24 years. He is managing plant operations and is also actively associated with research and development of new products.

Mr. Manish Jain was re-appointed as Whole time Director in the Annual General Meeting of the Shareholders held on 30th September, 2014 for a period of 3 years w.e.f. 1st October, 2014. His term will expire on 30th September, 2017.

The Board recommends the reappointment of Mr. Manish Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2017 upon the remuneration, terms & condition as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Mr. Manish Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act 2013.

Shri Devinder Kumar Jain Managing Director & CEO, and Mr. Arun Jain- Whole Time Director are concerned or interested in the said Resolution(s). None of the Other Directors/ Key Management Person(s) or his relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 5.

The above may be treated as written memorandum setting out terms of re-appointment of Mr. Manish Jain under section 190 of the Companies Act, 2013.

Item No. 6

Mr. Pankaj Jain, aged 46, is commerce graduate and holding Master Degree in Business Administration and has 24 years experience to his credit in Marketing and Finance. Mr. Pankaj Jain has traveled abroad extensively and thereby enriched with vast experience in the field of export.

Mr. Pankaj Jain was re-appointed as Whole Time Director in the Annual General Meeting of the Shareholders held on 30th September, 2014 for a period of 3 years w.e.f. 1st October, 2014. His term will expire on 30th September, 2017.

The Board recommends the reappointment of Mr. Pankaj Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2017 upon the remuneration, terms & condition as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Mr. Pankaj Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act 2013.

None of the Directors/ Key Management Person(s) or his relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 6.

The above may be treated as written memorandum setting out terms of re-appointment of Mr. Pankaj Jain under section 190 of the Companies Act, 2013.

Item No. 7

Mr. Neeraj Jain, aged 45, is qualified Engineer and M.B.A. with Master Degree in Polymer Science from U.K. Mr. Neeraj Jain is instrumental in introducing new products and Health & Fitness Equipments which contributes significantly to Company's revenue. He has 23 years experience to his credit in looking after imports and procuring of new products.

Mr. Neeraj Jain was re-appointed as Whole time Director in the Annual General Meeting of the Shareholders held on 30th September, 2014 for a period of 3 years w.e.f. 1st October, 2014. His term will expire on 30th September, 2017.

The Board recommends the reappointment of Mr. Neeraj Jain as Whole Time Director of the Company for the further period of Three (3) years w.e.f. 1st October 2017 upon the remuneration, terms & condition as set out in the Resolutions(s) and which Nomination & Remuneration Committee has approved. The Board recommends the Resolution(s) for your approval.

Mr. Neeraj Jain satisfies all the conditions set out in Part-1 of Schedule V and under sub-section (3) of section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Directors in terms of section 164 of the Companies Act 2013.

Shri Narinder Kumar Jain Managing Director, is concerned or interested in the said Resolution(s). None of the Other Directors/ Key Management Person(s) or his relatives are in any way is concerned or interested in the Resolution(s) set out at Item No. 7.

The above may be treated as written memorandum setting out terms of re-appointment of Mr. Neeraj Jain under section 190 of the Companies Act, 2013.

Item No. 8

Ms. Nisha Paul aged 57 is Graduate. She Joined the Board of Directors of the Company w.e.f. 1st October, 2014. She is experienced in tour & travel, human resource and public relations. Ms. Nisha Paul holds Directorship in Paul Air Transport Private Limited. . Ms. Nisha Paul is Chairman of Corporate Social Responsibility Committee of the Board of Directors of the Company

Ms. Nisha Paul holds by herself, 200 Equity shares in the Company.

Ms. Nisha Paul was appointed as an Independent Woman Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Ms. Nisha Paul as Independent Woman Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Ms. Nisha Paul as a candidate for the office of Director of the Company. Ms. Nisha Paul is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given her consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Ms. Nisha Paul fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that she meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Ms. Nisha Paul as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

The Board considers that her association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the Re-appointment of Ms. Nisha Paul as an Independent Director, for the approval by the shareholders of the Company.

Except Ms. Nisha Paul, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

**Item No. 9**

Shri Mahavir Prasad Gupta aged 76 is a Non- Executive Independent Director of the Company. He Joined the Board of Directors of the Company w.e.f. 30th March, 2003. Shri Mahavir Prasad Gupta is member of Audit Committee, of the Board of Directors of the Company.

Shri Mahavir Prasad Gupta is Former Head and Dean of Delhi School of Management Studies. He is Post Graduate-Educationist having vast knowledge in the areas of Business and Management.

Shri Mahavir Prasad Gupta does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Shri Mahavir Prasad Gupta was appointed as an Independent Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Shri Mahavir Prasad Gupta as Independent Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Shri Mahavir Prasad Gupta as a candidate for the office of Director of the Company. Shri Mahavir Prasad Gupta is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given his consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Shri Mahavir Prasad Gupta fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Shri Mahavir Prasad Gupta as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

The Board considers that his association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the Special resolution in relation to the Re-appointment of Shri Mahavir Prasad Gupta as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Mahavir Prasad Gupta, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 9.

Item No. 10

Shri Sunil Kumar Jain aged 61 is a Non- Executive Independent Director of the Company. He Joined the Board of Directors of the Company w.e.f. 30th March, 2003. Shri Sunil Kumar Jain is Chairman of Stakeholders Relationship Committee and member of Audit and Nomination and Remuneration Committee of the Board of Directors of the Company.

He is Director in Vijay Vallabh Securities Limited, H.B. Velvets Private Limited and Jain Cord Industries Private Limited. He is a Graduate having vast knowledge in Industrial Management.

Shri Sunil Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Shri Sunil Kumar Jain was appointed as an Independent Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Shri Sunil Kumar Jain as Independent Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Shri Sunil Kumar Jain as a candidate for the office of Director of the Company. Shri Sunil Kumar Jain is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given his consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Shri Sunil Kumar Jain fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Shri Sunil Kumar Jain as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

The Board considers that his association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the Re-appointment of Shri Sunil Kumar Jain as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Sunil Kumar Jain, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 10.

Item No. 11

Shri Mohan Lal Mangla aged 77 is a Non- Executive Independent Director of the Company. He Joined the Board of Directors of the Company w.e.f. 7th October, 1997. Shri Mohan Lal Mangla is Chairman of Nomination and Remuneration Committee of the Board of Directors of the Company.

Shri Mohan Lal Mangla is a Law Graduate having vast Legal Experience including Intellectual Property Rights.

Shri Mohan Lal Mangla does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Shri Mohan Lal Mangla was appointed as an Independent Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Shri Mohan Lal Mangla as Independent Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Shri Mohan Lal Mangla as a candidate for the office of Director of the Company. Shri Mohan Lal Mangla is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given his consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Shri Mohan Lal Mangla fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Shri Mohan Lal Mangla as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours

The Board considers that his association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the Re-appointment of Shri Mohan Lal Mangla as an Independent Director, for the approval by the shareholders of the Company

Except Shri Mohan Lal Mangla, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 11.

Item No. 12

Shri Vijender Kumar Jain aged 62 is a Non- Executive Independent Director of the Company. He Joined the Board of Directors of the Company w.e.f. 31st October, 2012. He is Chairman of Audit Committee of the Board of Directors of the Company. Shri Vijender Kumar Jain is a Chartered Accountant having vast Experience as practicing in Finance Accounts, Audit, Taxation and Company Law Matters.

Shri Vijender Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Shri Vijender Kumar Jain was appointed as an Independent Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Shri Vijender Kumar Jain as Independent Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Shri Vijender Kumar Jain as a candidate for the office of Director of the Company. Shri Vijender Kumar Jain is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given his consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Shri Vijender Kumar Jain fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Shri Vijender Kumar Jain as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours

The Board considers that his association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the Re-appointment of Shri Vijender Kumar Jain as an Independent Director, for the approval by the shareholders of the Company

Except Shri Vijender Kumar Jain, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 12.

Item No. 13

Shri Vijay Kumar Sood aged 74 is a Non- Executive Independent Director of the Company. He Joined the Board of Directors of the Company w.e.f. 01st May, 2007.

Shri Vijay Kumar Sood is Director in Vijay Vallabh Securities Limited. He is a Graduate having 35 years experiences in Armed Forces (Retired as Lt. Col.) and 22 year in Event Management and Sports Goods Promotion.

Shri Vijay Kumar Sood does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Shri Vijay Kumar Sood was appointed as an Independent Director, not liable to retire by rotation, w.e.f. 1st October, 2014 for term of Three (3) consecutive years upto 30th September, 2017.

The Board recommends the reappointment of Shri Vijay Kumar Sood as Independent Director of the Company for the further period of Five (5) years w.e.f. 1st October 2017 and which Nomination & Remuneration Committee has approved. The Board recommends the Special Resolution(s) for your approval.

The Company has received notice from a member under section 160 of the Companies Act, 2013 proposing Shri Vijay Kumar Sood as a candidate for the office of Director of the Company. Shri Vijay Kumar Sood is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and has given his consent in writing to act as Director in Form DIR-2.

In the opinion of the Board, Shri Vijay Kumar Sood fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Company has also received a declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of section 149 and Schedule IV of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the draft letter of appointment of Shri Vijay Kumar Sood as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours

The Board considers that his association with the Company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the Re-appointment of Shri Vijay Kumar Sood as an Independent Director, for the approval by the shareholders of the Company

Except Shri Vijay Kumar Sood, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution(s) set out at Item No. 13.

Registered Office:
2/8, Roop Nagar,
Delhi -110007

Place: Delhi
Date: 21st August, 2017

By order of the Board of Directors

Devinder Kumar Jain
(DIN: 00191539)
Managing Director and CEO



Statement forming part of Notice of 38th Annual General Meeting issued to the Shareholders of the Company pursuant to the requirements of Part II Section II of Schedule V to the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 for Re-appointment and approval of Managerial Remuneration payable to the Whole Time Directors as per Agenda Items Nos. 4, 5, 6 & 7.

I. General Information:

1. Nature of industry The Company manufactures Sports Balls and deals in Sports Goods and Fitness Equipments & allied items.
2. Date or expected date of commencement of commercial production Existing Company. Already in commercial production.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus Not Applicable
4. Financial performance based on given indicators

| Particulars | Current Year ended 31.03.2017 (₹ in Lacs) | Previous Year ended 31.03.2016 (₹ in Lacs) |
|---|--|---|
| FINANCIAL RESULTS | | |
| Revenue from operations | 13555.76 | 12593.15 |
| Other Income | 121.00 | 0.63 |
| Total Revenue | 13676.76 | 12593.78 |
| Expenses : | | |
| (a) Cost of Materials Consumed | 2003.66 | 1991.75 |
| (b) Purchase of Stock-in-Trade | 6400.81 | 6370.12 |
| (c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 275.58 | (491.17) |
| (d) Employee Benefit Expense | 1360.10 | 1169.68 |
| (e) Financial Costs | 372.99 | 377.87 |
| (f) Depreciation | 100.23 | 93.91 |
| (g) Other expenses | 2559.91 | 2586.96 |
| Total Expenses | 13073.28 | 12099.14 |
| Profit before exceptional and extraordinary items and Tax | 603.48 | 494.64 |
| Exceptional Items- Charge/(Income) | (163.64) | (1.47) |
| Profit before extraordinary items and Tax | 767.12 | 496.11 |
| Extraordinary Items | - | - |
| Profit before Tax | 767.12 | 496.11 |
| Tax Expenses | | |
| Current Tax | 213.77 | 186.87 |
| Earlier Year Taxation | 10.69 | (18.41) |
| Deferred Tax | (5.46) | (7.31) |
| Profit for the period from continuing operations | 548.12 | 334.95 |
| Shareholders Funds | | |
| a) Share Capital | 416.10 | 416.10 |
| b) Reserves and Surplus | 2618.57 | 2070.46 |
| Long Term Borrowings (unsecured) | 1400.00 | 1400.00 |
| Long Term Borrowings from NBFC (Secured) | - | 9.76 |
| Short Term Borrowings from Banks (Secured) | | |
| a) Working Capital Loan | 1880.41 | 1796.75 |
| b) Others | - | 9.76 |
| (Current Maturity of Long Term Debt from NBFC) | - | 9.76 |
| Short Term Borrowings-Unsecured | 873.95 | 797.78 |
| Investments-Non Current | 0.05 | 0.05 |
| | NIL | NIL |

5. Foreign Investments or collaborators, if any



II. Information about the Appointees whose remuneration terms have been revised.

(I) Mr. Arun Jain - Whole Time Director

1. Background details :
 - 1.1 D.O.B. : 25th January, 1966
 - 1.2 Age : 51 years
 - 1.3 Qualification : B.E. & M. Tech
 - 1.4 Experience : 25 years of experience
2. Past Remuneration: : Remuneration paid during 2016-17 (Amount in ₹)
 - Salary : 2,040,000
 - HRA : 1,020,000
 - PF (Employer's Contribution) : 21,600
 - Medical Exp. : 105,847
 - Car perk (Valued as per Income Tax Act. : 39,600Other perks and allowances (not included above) :
 - i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - ii) Leave encashment;
 - iii) Telephones provided for official use.
3. Recognition or awards : ---
4. Job profile and his suitability : He has vast Experience in Industrial Relations & Management and Research and Development of Rubber & Polymer products.
5. Remuneration proposed : As per details given in the main body of the Resolution(s)
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. : Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain, Managing Director and CEO , and Mr. Manish Jain Whole Time Director.
8. Date of First appointment in the Board of the Company. : 01/05/2007
9. Details of Other Directorships, Membership/ Chairmanship of Committees of Boards other Public Limited Company. : NIL
10. No. of Meetings of the Board Attended During FY 2016-17. : 6
11. Number of Shares held in the Company : 66200 as Individual and 500 as Karta of H.U.F

(II) Mr. Manish Jain - Whole Time Director

1. Background details :
 - 1.1 D.O.B. : 17th November, 1970
 - 1.2 Age : 47 years
 - 1.3 Qualification : Qualified Engineer and MBA
 - 1.4 Experience : 24 years of experience
2. Past Remuneration: : Remuneration paid during 2016-17 (Amount in ₹)
 - Salary : 2,040,000
 - HRA : 1,020,000
 - PF (Employer's Contribution) : 21,600
 - Medical Exp. : 103,304
 - Car perk (Valued as per Income Tax Act. : 32,400Other perks and allowances (not included above) :
 - i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - ii) Leave encashment;
 - iii) Telephones provided for official use.
3. Recognition or awards : ---
4. Job profile and his suitability : Managing Plant Operations, and Associated with research and development of new products.
5. Remuneration proposed : As per details given in the main body of the Resolution(s)

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. : Promoter Director Cum Shareholder of the Company. Related to Shri Devinder Kumar Jain, Managing Director and CEO , and Mr. Arun Jain Whole Time Director.
8. Date of First appointment in the Board of the Company. : 01/04/1998
9. Details of Other Directorships, Membership/ Chairmanship of Committees of Boards other Public Limited Company. : NIL
10. No. of Meetings of the Board Attended During FY 2016-17. : 5
11. Number of Shares held in the Company : 73200 as Individual and 12700 as Karta of H.U.F.
- (III) Mr. Pankaj Jain - Whole Time Director**
1. Background details :
- 1.1 D.O.B. : 7th August, 1971
- 1.2 Age : 46 years
- 1.3 Qualification : B.Com & MBA
- 1.4 Experience : 24 years of experience
2. Past Remuneration: : Remuneration paid during 2016-17 (Amount in ₹)
- Salary : 2,040,000
- HRA : 1,020,000
- PF (Employer's Contribution) : 21,600
- Medical Exp. : 107,022
- Car perk (Valued as per Income Tax Act. : 32,400
- Other perks and allowances (not included above) :
- i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- ii) Leave encashment;
- iii) Telephones provided for official use.
3. Recognition or awards : ---
4. Job profile and his suitability : Finance, Marketing and Development of new products.
5. Remuneration proposed : As per details given in the main body of the Resolution(s)
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. : Promoter Director Cum Shareholder of the Company. Not Related with any Managerial Personnel.
8. Date of First appointment in the Board of the Company. : 01/04/1998
9. Details of Other Directorships, Membership/ Chairmanship of Committees of Boards other Public Limited Company. : 2 (Two) Member in Stakeholder's Relationship Committee & Corporate Social Responsibility Committee of Cosco (India) Limited.
10. No. of Meetings of the Board Attended During FY 2016-17. : 5
11. Number of Shares held in the Company : 178,640 as Individual and 17,700 as Karta of H.U.F.
- (IV) Mr. Neeraj Jain - Whole Time Director**
1. Background details :
- 1.1 D.O.B. : 3rd October, 1972
- 1.2 Age : 45 years
- 1.3 Qualification : B.E., M.Sc. & MBA
- 1.4 Experience : 23 years of experience



| | | | |
|----------------------------------|--|---|--|
| 2. | Past Remuneration: | : | Remuneration paid during 2016-17 (Amount in ₹) |
| | Salary | : | 2,040,000 |
| | HRA | : | 1,020,000 |
| | PF (Employer's Contribution) | : | 21,600 |
| | Medical Exp. | : | 19,773 |
| | Car perk (Valued as per Income Tax Act. | : | 32,400 |
| | Other perks and allowances (not included above) : | | |
| | i) Gratuity payable at a rate not exceeding half month's salary for each completed year of service. | | |
| | ii) Leave encashment; | | |
| | iii) Telephones provided for official use. | | |
| 3. | Recognition or awards | : | --- |
| 4. | Job profile and his suitability | : | International Trade and Sourcing of new products. |
| 5. | Remuneration proposed | : | As per details given in the main body of the Resolution(s) |
| 6. | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | : | The proposed remuneration is justified in consideration of the responsibilities shouldered by him and it is also commensurate with the nature and size of the Company. No Industry specific comparative data available |
| 7. | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any. | : | Promoter Director Cum Shareholder of the Company. Related to Shri Narinder Kumar Jain - Managing Director |
| 8. | Date of First appointment in the Board of the Company. | : | 01/04/1998 |
| 9. | Details of Other Directorships, Membership/ Chairmanship of Committees of Boards other Public Limited Company. | : | 2 (Two) Member in Stakeholder's Relationship Committee & Corporate Social Responsibility Committee of Cosco (India) Limited. |
| 10. | No. of Meetings of the Board Attended During FY 2016-17. | : | 6 |
| 11. | Number of Shares held in the Company | : | 73,400 as Individual and 12,500 as Karta of H.U.F. |
| (III) Other Information : | | | |
| 1. | Reasons of inadequate profits: | | > Increase in Employee Benefit Expense and other Overheads. > Competition in Domestic Markets especially in health and fitness segment. |
| 2. | Steps taken or proposed to be taken for improvement. | : | Taking following measures on continuous basis:- i) Strengthening marketing network to capitalize on 'Cosco' Brand name and expanding business of health equipments and allied products; ii) Scale up new product lines especially Sports footwear; iii) Development and addition of new products & designs, iv) Continuous focus on Cost control & Cost cutting in respect of manufactured products, product re-engineering and Sourcing good quality products range at competitive prices; v) Remedial measures to check grey market operators who are producing duplicate products by using company's brand; Changing packing and designs to check duplication; |
| 3. | Expected increase in productivity and profit in measurable terms. | : | Barring unforeseen circumstances Sales Turnover during the current year is likely to increase by about 10% and the Company expects to earn about 4 % net profits before tax. |
| (IV) Disclosures: | | | |
| 1. | All the elements of remuneration package such as salary, benefits, bonuses, stock Options, pension, etc. of all the directors; | : | Details of Remuneration packages of Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain & Mr. Neeraj Jain requiring Shareholders approval by Ordinary Resolutions is given in the Resolutions under Agenda items No. 4, 5, 6 & 7. |
| 2. | Details of Fixed Component and performance linked incentives along with the performance criteria; | : | No performance linked incentives. |
| 3. | Service contracts, notice period, severance fees; | : | Being reappointed for 3 years as given in the Resolutions under Agenda items No. 4, 5, 6 & 7, No Notice Period; No severance fees; |
| 4. | Stock options details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. | : | NIL / N.A. |

Details of the Directors seeking Appointment/Reappointment at the forthcoming Annual General Meeting in pursuance of the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 and Secretarial Standard-2

| | | |
|--|--|--|
| Name of Director | Ms. Nisha Paul | Shri Mahavir Prasad Gupta |
| Date of Birth & Age | 17 th October, 1960, 57 years | 15 th October, 1940, 77 years |
| Date of Appointment | 1 st October, 2014 | 30 th March, 2003 |
| Expertise in specific Functional/ Professional areas | Experience in Tour & Travel, Human Resource and Public Relations. | Vast Knowledge in the area of Business and Management. |
| Qualifications | Graduate | Post graduate- Educationist, Former head and Dean of Delhi School of Management Studies. |
| Details of Directorships held in other Companies | Paul Air Transport Private Limited | Nil |
| Chairman/Member of the Committee of Board other Public Limited Companies | 1(One) Chairman of Corporate Social Responsibility Committee in Cosco (India) Limited | 1(One) Member of Audit Committee in Cosco (India) Limited |
| Number of Meetings of the Board Attended during FY 16-17 | 4 | 4 |
| Number of Shares held in the Company | 200 as Individual | Nil |
| Disclosure of relationships between Directors inter-se | Nil | Nil |
| Name of Director | Shri Sunil Kumar Jain | Shri Mohan Lal Mangla |
| Date of Birth & Age | 1 st January, 1956, 62 years | 10 th September, 1940, 77 years |
| Date of Appointment | 30 th March, 2003 | 7 th October, 1997 |
| Expertise in specific Functional/ Professional areas | Well experienced in Industrial Management | Vast Legal experience including Intellectual property Rights. |
| Qualifications | Graduate | Law Graduate and Advocate |
| Details of Directorships held in other Companies | Vijay Vallabh Securities Limited H.B. Velvets Private Limited Jain Cord Industries Private Limited. | Nil |
| Chairman/Member of the Committee of Board other Public Limited Companies | 3 (Three) Member of Audit Committee, Nomination and Remuneration Committee & Chairman of Stakeholder's Relationship Committee in Cosco (India) Limited | 1 (One) Chairman of Nomination and Remuneration committee in Cosco (India) Limited |
| Number of Meetings of the Board Attended during FY 16-17 | 4 | 4 |
| Number of Shares held in the Company | Nil | Nil |
| Disclosure of relationships between Directors inter-se | Nil | Nil |
| Name of Director | Shri Vijender Kumar Jain | Shri Vijay Kumar Sood |
| Date of Birth & Age | 8 th June, 1955, 62 years | 17 th June, 1943, 74 years |
| Date of Appointment | 31 st October, 2012 | 1 st May, 2007 |
| Expertise in specific Functional/ Professional areas | Vast experience as practicing Chartered Accountant in finance, Accounts, Audit, Taxation, and Company Law Matters. | Vast Experience in Event Management and Sports Goods Promotion |
| Qualifications | Chartered Accountant | Graduate |
| Details of Directorships held in other Companies | Nil | Vijay Vallabh Securities Limited |
| Chairman/Member of the Committee of Board other Public Limited Companies | 1(One) Chairman of Audit Committee in Cosco (India) Limited | 1 (One) Member in Nomination and Remuneration Committee in Cosco (India) Limited |
| Number of Meetings of the Board Attended during FY 16-17 | 4 | 4 |
| Number of Shares held in the Company | Nil | Nil |
| Disclosure of relationships between Directors inter-se | Nil | Nil |



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in submitting their 38th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL RESULTS

| PARTICULARS | CURRENT YEAR ENDED 31-03-2017 (₹ in Lacs) | PREVIOUS YEAR ENDED 31-03-2016 (₹ in Lacs) |
|---|--|---|
| Revenue from operations | 13555.76 | 12593.15 |
| Other Income | 121.00 | 0.63 |
| Total Revenue | 13676.76 | 12593.78 |
| Total Expenses | 13073.28 | 12099.14 |
| Profit before Exceptional and Extraordinary item and Tax | 603.48 | 494.64 |
| Exceptional items-charge/(income) | (163.64) | (1.47) |
| Profit before Extraordinary items and Tax | 767.12 | 496.11 |
| Extraordinary items | - | - |
| Profit before Tax | 767.12 | 496.11 |
| Tax Expenses/(Income) : | | |
| Current Tax | 213.77 | 186.88 |
| Earlier Year Taxation | 10.69 | (18.41) |
| Deferred Tax | (5.46) | (7.31) |
| Profit for the period from continuing operations | 548.11 | 334.95 |

COMPANY'S PERFORMANCE AND STATE OF AFFAIRS FOR FINANCIAL YEAR 2016-17

The Revenue from Sale of Products (net of excise) for the current year ended 31.03.2017 was higher at ₹ 13437.59 Lacs against previous year's sales of ₹ 12537.61 Lacs registering a moderate growth of about 7.17 % over the previous year. The exports were ₹ 259.92 Lacs (Previous year ₹ 243.18 lacs) in F.O.B value terms. The Revenue from services for the current year amounted to ₹ 5.82 Lacs (Previous year ₹ 4.52 Lacs). The other Operating Income was also higher at ₹ 112.34 Lacs (Previous Year ₹ 51.01 Lacs) comprising of Export Incentives viz. Duty Drawback & PFSL ₹ 32.10 Lacs (Previous Year ₹ 29.97 Lacs). The Other Operating Income was higher due to Royalty income during the Current year ₹ 32.22 Lacs (Previous year Nil). During the Current Year ended 31.03.2017 the Company registered Profit before Finance Cost, Depreciation and Tax ₹ 1240.35 Lacs (Previous year ₹ 967.89 Lacs),

Profit before Tax ₹ 767.12 Lacs (Previous Year ₹ 496.11 Lacs) and Net Profit after Tax ₹ 548.11 Lacs (Previous Year ₹ 334.95 lacs). The Net Profit after Tax was higher compared to the Previous year. The company's performance during the year under review was stable. The demonetization had marginal impact on the sales of the Company. The Company in earlier few years has shown consistent growth in gross revenues due to good domestic demand. The highest rate of 28% GST imposed on Health & Fitness Products is likely to affect sales of the Company. However, Management is hopeful for stable performance in the upcoming Financial year.

The Net Worth of the Company as at 31.03.2017 was ₹ 3034.67 Lacs (Previous Year ₹ 2486.56 Lacs).

The Company is expanding its product range in its endeavor to improve top line as well as net margins. The Company manufactures/source internationally at competitive prices quality products and develop/source new products on regular basis. The Management is continuously taking effective steps to enhance 'COSCO' Brand Value, which is well established in the Domestic market. The Company is also focusing on further strengthening the marketing network.

Status of Investments made in the erstwhile Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL): As reported in earlier year(s), M/s Cosco Polymer Lanka (Private) Limited, has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011 (of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. The Act (of Sri Lanka), provides for payment of compensation to the Shareholders. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 48,000,000 (Equivalent INR 20,465,760) and after deducting LKR 1,674,361.66 due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 46,325,638.34 (Equivalent INR 19,751,862). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, (Exercising Civil Jurisdiction in Colombo (Sri Lanka)- Case Ref. No. HC (Civil) 40/2013(CO). The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.

"Consolidated Financial Statements" as per Accounting Standard 21 issued by the Institute of Chartered Accountants of India, have not been prepared since the company is under liquidation.

DIVIDEND

Board does not recommend any dividend for Financial Year 2016-17 to consolidate financial position of the Company.

TRANSFERS TO RESERVES

The opening balance of General Reserve is ₹ 1125.16 and same is retained on 31.03.2017. No other amount has been transferred to General Reserve. The Current year's net profit of ₹ 548.11 lacs (Previous year ₹ 334.95 lacs) has been retained in Surplus in the Statement of Profit and Loss.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134 (3) (c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and based on the internal controls, compliance systems established and maintained by the Company, make the following statement that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- iii. the Directors 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;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Neeraj Jain (DIN: 00190592) Director of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment. Board recommends his reappointment.

The term of appointment of Mr. Arun Jain (DIN:01054316), Mr. Manish Jain (DIN: 00191593), Mr. Pankaj Jain (DIN: 00190414) and Mr. Neeraj Jain (DIN: 00190592), as Whole Time Directors of the Company expires on 30th September, 2017. The Board recommends their reappointment as Whole Time Directors of the Company for further period of Three (3) years w.e.f. 1st October, 2017 to 30th September, 2020, upon the remuneration, terms & conditions as set out in the Notice of the ensuing Annual General Meeting and approved by the Nomination & Remuneration Committee as per the provisions of the Companies Act, 2013 & Schedule V of the Companies Act, 2013 and Rules framed thereunder. The resolutions seeking approval of the Members for the re-appointment of Mr. Arun Jain, Mr. Manish Jain, Mr. Pankaj Jain and Mr. Neeraj Jain, have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about them.



Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are -

Shri Devinder Kumar Jain (DIN: 00191539) - Managing Director and Chief Executive Officer of the Company and Shri Narinder Kumar Jain (DIN: 00195619) - Managing Director of the Company, who were reappointed for a period of Three (3) years with effect from 16th March 2016 till 15th March 2019 in the Annual General Meeting held on 30th September, 2015. Mr. Arun Jain (DIN:01054316), Mr. Manish Jain (DIN: 00191593), Mr. Pankaj Jain (DIN: 00190414) and Mr. Neeraj Jain (DIN: 00190592), who were re-appointed as Whole Time Directors of the Company w.e.f 01st October 2014 for a term of 3 Years in the Annual General Meeting of the Company held on 30th September, 2014. Ms. Sudha Singh -Company Secretary, was appointed w.e.f 1st May, 2015.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect from April 1st, 2014, Shri Mahavir Prasad Gupta (DIN 00190550), Shri Sunil Kumar Jain (DIN 00387451), Shri Mohan Lal Mangla (DIN 00311895), Shri Vijender Kumar Jain (DIN 06423328), Shri Vijay Kumar Sood (DIN 01525607) and Ms. Nisha Paul (DIN 00325914) were appointed as Independent Directors of the Company w.e.f 1st October 2014 to 30th September, 2017 at the Annual General Meeting of the Company held on 30th September, 2014 for a term of 3 years. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act.

The Board recommends their reappointment as Independent Directors of the Company for further period of Five (5) years w.e.f. 1st October, 2017 to 30th September, 2022 upon the terms & conditions as set out in the Notice of the ensuing Annual General Meeting and approved by the Nomination & Remuneration Committee as per the provisions of the Companies Act, 2013 & Schedule IV of the Companies Act, 2013 and Rules framed thereunder. As per the provisions of Section 149(10) of the Companies Act, 2013 The Special Resolutions seeking approval of the Members for the re-appointment of Shri Mahavir Prasad Gupta (DIN 00190550), Shri Sunil Kumar Jain (DIN 00387451), Shri Mohan Lal Mangla (DIN 00311895), Shri Vijender Kumar Jain (DIN 06423328), Shri Vijay Kumar Sood (DIN 01525607) and Ms. Nisha Paul (DIN 00325914), have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about them.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the payment of sitting fees and reimbursement of expenses, if any incurred by them for the purpose of attending meetings of the Company. The Company has received declarations from all the Independent Directors to this effect that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

None of the Director is disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and they have given their consent in writing to act as Director(s).

MEETINGS OF THE BOARD

During the year 2016-2017, Six (6) Board Meetings and Four (4) Audit Committee Meetings were held. In accordance with requirement, other committee meetings were held from time to time and one separate meeting of Independent Directors was also held. Relevant details of the meetings are given in the Corporate Governance Report, which form part of this report.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Managing Directors were evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the Company website www.cosco.in. There has been no change in the policy since the last financial year. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control systems inter alia including system of internal financial controls, commensurate with the size and scale of its business operations. The system of internal financial control strives to ensure that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Based on the framework of internal financial controls and compliance systems put in place by the Company, and the reviews performed by management and the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

The details in respect of internal control and their adequacy included in the management discussion & analysis, forms part of this report.

AUDIT COMMITTEE

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

NOMINATION AND REMUNERATION COMMITTEE

The details pertaining to composition of Nomination and Remuneration Committee are included in the Corporate Governance Report, which forms part of this report.

Policy on determining the criteria for determining qualifications, positives attributes and independence of a director is available on the Company website www.cosco.in. There has been no change in the policy since the last financial year.

AUDITORS

The current auditors, viz. M/s. Madan & Associates, Chartered Accountants (Firm Registration No. 000185N) were last re-appointed by the members at their Annual General Meeting held on 30th September, 2014 to hold the office of auditor from the conclusion of the Thirty-fifth Annual General Meeting till the conclusion of this Thirty- Eight Annual General Meeting. As per the provisions of section 139 of the Companies Act, 2013, no listed company shall appoint an audit firm as auditors for more than two terms of five consecutive years. The Act also provided for an additional transition period of three years from the commencement of the Act i.e. 1st April 2014. The current auditors had already completed a period of Ten years at the commencement of the said Act and hence on their completing the additional transition period of three years provided under the Act, the term of the current auditors expires at the conclusion of the ensuing Annual General Meeting.

The Board of Directors at its meeting held on 21st August 2017, based on the recommendation of the Audit Committee has recommended the appointment of M/s. V. P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N) as the statutory auditors of the Company for approval by the members. M/s. V. P. Jain & Associates, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditors. M/s. V. P. Jain & Associates, Chartered Accountants (Firm registration number: 015260N) will be appointed as the statutory auditors of the Company for a term of 5 (five) years with effect from the conclusion of the ensuing Annual General Meeting till the conclusion of the Forty-Third Annual General Meeting, subject to ratification of their appointment by the members at every intervening Annual General Meeting on a remuneration plus out-of-pocket expenses etc. incurred in connection with the audit, as may be decided by the Board in consultation with the auditors from year to year.

The members are therefore requested to appoint M/s. V. P. Jain & Associates, Chartered Accountants, as statutory auditors of the Company for a term of five years from the conclusion of the ensuing Annual General meeting till the conclusion of the Forty- Third Annual General Meeting, to be scheduled in 2022, subject to ratification at each Annual General Meeting.

The Company has received consent from the Auditors to the effect that their appointment, if made, shall be in accordance with the provisions Section 141 of the Act. The Board recommends Appointment of M/s. V. P. Jain & Associates, Chartered Accountants as Statutory Auditors of the Company.



INDEPENDENT AUDITORS' REPORT

The Auditors' Report do not contain any qualifications, reservations, adverse remarks, emphasis of matter or disclaimer, which needs any comments/ explanation.

SECRETARIAL AUDITORS' REPORT

Report of the Secretarial Auditor is given as an Annexure-A which forms part of this Report. Secretarial Auditors' Report do not contain any qualifications, reservations, adverse remarks or disclaimers, which needs any comments/ explanation.

RISK MANAGEMENT POLICY

The details pertaining to Risk Management Policy and its implementation has been covered in the Management discussion and analysis, which form part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements. No additional Loans, Guarantees or Investment covered under the provisions of Section 186 of the Companies, Act 2013 are given provided / made during the reporting year.

TRANSACTIONS WITH RELATED PARTIES

All transactions entered with related parties for the year under review were in the ordinary course of business and are placed before the Audit Committee on regular basis . omnibus approval was obtained for transactions which are of repetitive nature. All the transactions entered with the related parties do not attract the provisions of Section 188 of the Companies Act, 2013.

Information on transactions with related parties pursuant to section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure-B in Form AOC -2 and the same form part of this report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes affecting the affairs of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 were not applicable to our company for the year ended 31.03.2017 and the preceding years. Your Company has achieved the net profit of rupees five crore during financial year ended on 31.03.2017 . As per the provision of Section 135 of the Companies Act, 2013 and rules framed thereunder every company having a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. The company has constituted Corporate Social Responsibility Committee accordingly. The details pertaining to composition and functions of Corporate Social Responsibility Committee are included in the Corporate Governance Report, which forms part of this report.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of Annual Return is given in Annexure-C in the prescribed Form MGT-9 , which form part of this report.

Particulars of Employees

The information required under Section 197 of the Act, read with rule 5(1) of the Companies Appointment and Remuneration of managerial Personnel) Rules, 2014 are given below:

| | | |
|----|--|--|
| a) | The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: | |
| | Executive Directors | Ratio to median remuneration |
| | Shri Devinder Kumar Jain | 33:1 |
| | Shri Narinder Kumar Jain | 33:1 |
| | Mr. Arun Jain | 26:1 |
| | Mr. Manish Jain | 26:1 |
| | Mr. Pankaj Jain | 26:1 |
| | Mr. Neeraj Jain | 26:1 |
| | Non Executive Directors | Ratio to median remuneration |
| | Shri Mahavir Prasad Gupta | Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any, for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). |
| | Shri Mohan Lal Mangla | |
| | Shri Sunil Kumar Jain | |
| | Shri Vijender Kumar Jain | |
| | Ms. Nisha Paul | |
| | Shri Vijay Kumar Sood | |
| b) | The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year: | |
| | Directors, Chief Executive Officers, Chief Financial Officer and Company Secretary | % increase in remuneration in the financial year |
| | Executive Director- | |
| | Shri Devinder Kumar Jain | 22.86% |
| | Shri Narinder Kumar Jain | 22.86% |
| | Mr. Arun Jain | 13.33% |
| | Mr. Manish Jain | 13.33% |
| | Mr. Pankaj Jain | 13.33% |
| | Mr. Neeraj Jain | 13.33% |
| | Independent Directors :- | Not Applicable (Independent Directors are paid only sitting fees and reimbursement of expenses, if any for attending Board Meetings. No other Remuneration has been paid to the Independent Directors). Details of Sitting fees paid/payable incorporated in Corporate Governance report. |
| | Shri Mahavir Prasad Gupta | |
| | Shri Mohan Lal Mangla | |
| | Shri Sunil Kumar Jain | |
| | Shri Vijay Kumar Sood | |
| | Shri Vijender Kumar Jain | |
| | Smt. Nisha Paul | |
| | Ms. Sudha Singh-Company Secretary | 21.43 |



- c. The percentage increase in the median remuneration of employees in the Financial Year : (1) Due to increase in number of employees the median remuneration is lower compared to last year.
- d. The number of permanent employees on the rolls of the Company: 441
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration:- Average percentile increase made in the employees remuneration other than Managerial Personnel in the last FY 2016-17 was approximately 6% -17% compare to the percentile increase of 13.33% to 22.86% in the remuneration of Managerial Personnel.
- Remuneration of Managerial Personnel was as per the Remuneration Policy of the Company and as approved by the members in the Annual General Meetings as per statutory requirements.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms remuneration is as per the remuneration policy of the Company.
- g. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Top Ten Employees in terms of Remuneration Drawn

| Employee Name | Designation | Remuneration (in ₹) | Nature of employment | Qualification | Experience (in years) | Year of commencement of employment | Age | Last employment of | % of Equity Shares | Whether employee is relative of Director or Manager |
|--------------------------|-------------------------------|---------------------|----------------------|---|-----------------------|------------------------------------|-----|--------------------|--------------------|---|
| Shri Devinder Kumar Jain | Managing Director and CEO | 4,108,460 | Permanent | Graduate in B.Sc. | 56 | 1980 | 79 | NA | 3.16 | Relative of Shri Narinder Kumar Jain, Mr. Arun Jain and Mr. Minish Jain |
| Shri Narinder Kumar Jain | Managing Director | 3,962,000 | Permanent | Graduate and Diploma in International Marketing | 51 | 1989 | 76 | NA | 3.15 | Relative of Shri Devinder Kumar Jain and Mr. Neeraj Jain |
| Mr. Arun Jain | Whole Time Director | 3,205,447 | Permanent | B.E., M. Tech | 25 | 2007 | 51 | NA | 1.59 | Relative of. Shri Devinder Kumar Jain and Mr. Manish Jain |
| Mr. Manish Jain | Whole Time Director | 3,195,704 | Permanent | Qualified Engineer and MBA | 24 | 1998 | 47 | NA | 1.76 | Relative of. Shri Devinder Kumar Jain and Mr. Arun Jain |
| Mr. Pankaj Jain | Whole Time Director and CFO | 3,199,422 | Permanent | B.Com and MBA | 24 | 1998 | 46 | NA | 4.29 | NA |
| Mr. Neeraj Jain | Whole Time Director | 3,112,173 | Permanent | B.E., M.Sc. and MBA | 23 | 1998 | 45 | NA | 1.76 | Relative of. Shri Narinder Kumar Jain |
| Mr. Akash Deep Bhatia | Marketing Executive | 2,160,000 | Contractual | Graduate | 24 | 2015 | 56 | NA | NIL | NA |
| Ms Sadhana Bhatia | Regional Manager | 1,800,000 | Contractual | Graduate | 21 | 2015 | 54 | NA | NIL | NA |
| Mr. Rajesh Kumar Khurana | Finance Mg & Head of Accounts | 11,76,588 | Permanent | B.Com (H) FCA | 35 | 1996 | 60 | NA | NIL | NA |
| Ms Renu Vats | Chief Cashier | 6,84,953 | Permanent | Graduate | 33 | 1983 | 56 | NA | NIL | NA |

* Gratuity not included.

- h. Name of other employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016. of the Companies Act, 2013 - Nil.

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

Details of the familiarization programme of the Independent Directors are available on the website of the Company

(URL:http://www.cosco.in/uploads/investors/details_of_familiarisation_programme_imparted_to_independent_directors_1491995138.pdf)

Policy on dealing with related party transactions is available on the website of the Company

(URL: http://www.cosco.in/uploads/investors/related-party-policy_86228442984.pdf)

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the as per (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations") ((URL:

http://www.cosco.in/uploads/investors/whistle_blower_policy_cosco_88209735742.pdf)

Directors of the Company state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DEPOSITS FROM PUBLIC

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the Companies (Matters to be included in the Report of Board of Directors) Rules 2014 the relevant information and data is given in Annexure-'D' annexed hereto and form part of this Report.

COST AUDITORS

As per the Companies (Cost Records and Audit) Rules, 2014, as amended by the Companies (Cost Records and Audit) Amendments Rules, 2014 and 2016, the maintenance of Cost Records has not been specified by the Central Government and as such Cost Audit is not applicable to our Company.

DEMATERIALISATION OF SHARES

The Company shares are being dealt in dematerialized form. Shareholding of the Promoters / Promoter Group has been substantially dematerialized.

LISTING

Your Company is listed with Stock Exchanges at Mumbai and Delhi. Annual Listing fee for the Financial Year 2016-17 and 2017-2018 paid to BSE Limited. No fees paid to Delhi Stock Exchange Limited since DSE is non functional.

CORPORATE GOVERNANCE.

Your Company has taken adequate steps to ensure that mandatory provisions of 'Corporate Governance' as provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of the Companies Act, 2013 are duly complied with.

Report on 'Corporate Governance' along with 'Certificate by Practicing Company Secretary' on compliance with the condition of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as part of this report as Annexures 'E1, & E2' respectively.

Report on Management Discussion and Analysis is annexed hereto as Annexure 'F' and form part of this report.



INDUSTRIAL RELATIONS

The Company lays emphasis on all round development of its human resource. The industrial relations remained cordial during the year.

ACKNOWLEDGEMENTS

The Directors acknowledge with thanks the continuous support and co-operation received from Bankers, Statutory and Internal Auditors, Customers, Suppliers, Vendors, Government Authorities and Regulators. Your Directors wish to place on record their sincere appreciation for the contribution made to the organization by Executives, Staff and Workers of the Company. The Management also place on record their appreciation for the confidence reposed by the Stakeholders.

The directors appreciate and value the contributions made by every member of the Cosco (India) Limited.

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO

DIN : 00191539

Narinder Kumar Jain
Managing Director

DIN : 00195619

Registered Office:

2/8, Roop Nagar,

Delhi -110007

Dated: 21st August, 2017

FORMING PART OF THE DIRECTORS' REPORT

ANNEXURE - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2017

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

To,
The Members,
Cosco (India) Ltd.,
2/8, Roop Nagar,
Delhi-110007

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cosco (India) 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, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Cosco (India) Ltd., for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1999 and the rules made thereunder;
- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period); and
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period);



- (vi) We have also examined compliance with the applicable clauses/regulations of the following:
1. Secretarial Standards issued by the Institute of Company Secretaries of India.
 2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vii) Other applicable Laws, Rules and Guidelines as mentioned here-in-below:
- a. The Boilers Act, 1923
 - b. The Petroleum Act, 1934
 - c. The Consumer Protection Act
 - d. The Legal Metrology Act 2009
 - e. Shops and Establishment Act
 - f. The Water (Prevention & Control of Pollution) Act, 1974 [Read with Water (Prevention & Control of Pollution) Rules, 1975]
 - g. Air (Prevention and Control of Pollution) Act, 1981 and Rules
 - h. The Environment (Protection) Act, 1986 (Read With The Environment (Protection) Rules, 1986)
 - i. Labour Laws as applicable

During the period under review, the Company as per explanations and clarifications given to us and representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, 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. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance. Further, 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.

Decisions at the Board Meetings and Committee of Board were carried unanimously during the period under review.

We further report that as per the explanations given to us and representations made by the management there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 21st August, 2017
Place: Delhi

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

Annexure-A''

To,
The Members,
Cosco (India) Ltd.,
2/8, Roop Nagar,
Delhi-110007

1. We have examined the relevant registers, records and documents maintained and made available to us by Cosco (India) Limited (" the Company") for the period commencing from 1st April, 2016 to 31st March, 2017 for the issuance of Secretarial Audit Report for the Financial Year 2016-17, required to be issued under Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.
2. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances, but the Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial statements of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
6. The compliance of the provisions of Corporate and other applicable law, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 21st August, 2017
Place: Delhi



Annexure-'B'
(Forming Part of the Directors' Report)

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Cosco (India) Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis during financial year 2016-17.
2. Details of material contracts or arrangement or transactions at arm's length basis: NA
 - i. Name(s) of the related party and nature of relationship: NA
 - ii. Nature of contracts / arrangements / transactions: NA
 - iii. Duration of the contracts / arrangements / transactions: NA
 - iv. Salient terms of the contracts or arrangements or transactions including the value, if any: NA
 - v. Date(s) of approval by the Board, if any: NA
 - vi. Amount paid as advances, if any: NA

By order of the Board of Directors

Registered Office :
2/8, Roop Nagar,
Delhi -110007

Devinder Kumar Jain
Managing Director and CEO
(DIN: 00191539)

Place: Delhi
Date: 21st August, 2017

Annexure-'C'
(Forming Part of the Directors' Report)
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31st 2017

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

I. REGISTRATION & OTHER DETAILS

| | | |
|----|--|--|
| 1. | CIN | L25199DL 1980PLC010173 |
| 2. | Registration Date | 25/01/1980 |
| 3. | Name of the Company | Cosco (India) Limited |
| 4. | Category/Sub Category of the Company | Company Limited by Shares/Indian Non-Government Company |
| 5. | Address of the Registered office & contact details | 2/8, Roop Nagar, Delhi - 110007 Tel. : 011-23843000 Email : mail@cosco.in |
| 6. | Whether listed company | Yes |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Pvt. Ltd. D-153/A, 1ST Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020 Tel. : 011-26812682 Fax : 011-26812683 Email : admin@skylinerta.com |

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

| S. No. | Name and Description of main products / services | NIC 2004 Code of the Product | NIC 2008 Code of the Product | % to total turnover of the company |
|--------|--|---------------------------------|---------------------------------|---------------------------------------|
| 1. | Sports Goods | 3693 | 323 | 35.98 |
| 2. | Household Goods | 513 | 464 | 64.02 |



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - N. A. (Refer Note)

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

| S. No. | Name and Address of the Company | CIN / GLN | Holding/Subsidiary/ Associate | % of Share held | Applicable Section |
|------------|------------------------------------|-----------|----------------------------------|--------------------|-----------------------|
| Refer Note | | | | | |

Note : The erstwhile 100% Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL) incorporated in Sri Lanka has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011(of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. CPLPL is under Liquidation Case Ref. No. HC (Civil) 40/2013(CO) under the Jurisdiction of Hon'ble The Commercial High Court of The Western Province (Exercising Civil Jurisdiction) in Colombo (Sri Lanka).

- AOC 1 attached along with MGT-9

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

(i) Category-wise Share Holding

| Category of Shareholder | No. of Shares held at the beginning of the year (April 1, 2016) | | | | No. of Shares held at the end of the year (March 31, 2017) | | | | % Change during the year |
|------------------------------|--|----------|---------|-------------------------|---|----------|---------|-------------------------|-----------------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter's | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 1672800 | 0 | 1672800 | 40.20 | 1672800 | 0 | 1672800 | 40.20 | NIL |
| b) Central Govt. | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| c) State Govt.(s) | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| d) Bodies Corp. | 1447000 | 0 | 1447000 | 34.78 | 1447000 | 0 | 1447000 | 34.78 | NIL |
| e) Banks/FI | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| f) Any other | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Total | 3119800 | 0 | 3119800 | 74.98 | 3119800 | 0 | 3119800 | 74.98 | - |
| Shareholding of Promoter (A) | | | | | | | | | |
| | | | | | | | | | |
| B. Public | | | | | | | | | |
| Shareholding | | | | | | | | | |
| 1. Institutions | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |

| | | | | | | | | | |
|--|---------|-------|---------|-------|---------|-------|---------|-------|---------|
| a) Mutual Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| b) Banks / FI | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| c) Central Govt | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| d) State Govt(s) | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| e) Venture Capital Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| f) Insurance Companies | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| g) FIIs | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| i) Others (specify) | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| Sub-total (B)(1):- | 0 | 0 | 0 | - | 0 | 0 | 0 | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 238679 | 1800 | 240279 | 5.87 | 241888 | 1800 | 243688 | 5.86 | 0.08 |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to ₹ 1 lakh | 331604 | 82559 | 414163 | 9.95 | 344599 | 86709 | 431308 | 10.36 | 0.41 |
| ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh | 295258 | 0 | 295258 | 7.10 | 285127 | 0 | 285127 | 6.86 | (0.24) |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 43808 | 0 | 43808 | 1.05 | 43843 | 0 | 43843 | 1.05 | 0 |
| Overseas | | | | | | | | | |
| Corporate Bodies | | | | | | | | | |
| Hindu Undivided family | 45404 | 0 | 45404 | 1.09 | 37033 | 0 | 37033 | 0.89 | (0.2) |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | 2088 | 0 | 2088 | 0.05 | 201 | 0 | 201 | 0.005 | (0.045) |
| Trusts | | | | | | | | | |
| Foreign Bodies-DR | | | | | | | | | |
| Sub-total (B)(2):- | 956841 | 84359 | 1041200 | 25.02 | 952691 | 88509 | 1041200 | 25.02 | |
| | 956841 | 84359 | 1041200 | 25.02 | 952691 | 88509 | 1041200 | 25.02 | |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 4076641 | 84559 | 4161000 | 100 | 4072491 | 88509 | 4161000 | 100 | 0 |

(ii) Shareholding of Promoters

| S. No. | Shareholder's Name | Shareholding at the beginning of the year (1 st April 2016) | | | Shareholding at end of the year (31 st March 2017) | | | % Change in share holding during the year |
|--------|---|---|--|---|--|--|---|---|
| | | No. of Share | % of total Shares of the company | % of Shares Pledged/ encum- bered to total Shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encum- bered to total Shares | |
| 1. | Devinder Kumar Jain | 167,200 | 4.02 | 0 | 167,200 | 4.02 | 0 | 0 |
| 2 | Narinder Kumar Jain | 167,200 | 4.02 | 0 | 167,200 | 4.02 | 0 | 0 |
| 3 | Arun Jain | 84,300 | 2.03 | 0 | 84,300 | 2.03 | 0 | 0 |
| 4 | Manish Jain | 91,300 | 2.19 | 0 | 91,300 | 2.19 | 0 | 0 |
| 5 | Pankaj Jain | 233500 | 5.61 | 0 | 233500 | 5.61 | 0 | 0 |
| 6 | Neeraj Jain | 91,500 | 2.20 | 0 | 91,500 | 2.20 | 0 | 0 |
| 7 | Devinder Kr Jain [Karta of Devinder Kr. Jain (HUF)] | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 8 | Narinder Kr Jain [Karta of Narinder Kr Jain (HUF)] | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 9 | Darshan Kr Jain HUF | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 10 | Arun Jain [Karta of Arun Jain (HUF)] | 500 | 0.01 | 0 | 500 | 0.01 | 0 | 0 |
| 11 | Manish Jain [Karta of Manish Jain (HUF)] | 12,700 | 0.31 | 0 | 12,700 | 0.31 | 0 | 0 |
| 12 | Pankaj Jain [Karta of Pankaj Jain (HUF)] | 17,700 | 0.43 | 0 | 17,700 | 0.43 | 0 | 0 |
| 13 | Neeraj Jain [Karta of Neeraj Jain (HUF)] | 12,500 | 0.30 | 0 | 12,500 | 0.30 | 0 | 0 |
| 14 | Veena Jain | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 15 | Prabha Jain | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 16 | Amita Jain | 83,600 | 2.01 | 0 | 83,600 | 2.01 | 0 | 0 |
| 17 | Indu Jain | 57,100 | 1.37 | 0 | 57,100 | 1.37 | 0 | 0 |
| 18 | Nidhi Jain | 63,200 | 1.52 | 0 | 63,200 | 1.52 | 0 | 0 |
| 19 | Shilpa Jain | 84,000 | 2.02 | 0 | 84,000 | 2.02 | 0 | 0 |
| 20 | Payal Jain | 63,200 | 1.52 | 0 | 63,200 | 1.52 | 0 | 0 |
| 21 | Aakash Jain | 25,300 | 0.61 | 0 | 25,300 | 0.61 | 0 | 0 |
| 22 | Navendu Investment Co. Pvt. Ltd | 1,447,000 | 34.78 | 0 | 1,447,000 | 34.78 | 0 | 0 |
| | TOTAL | 3,119,800 | 74.98 | 0 | 3,119,800 | 74.98 | 0 | 0 |

(iii) Change in Promoters' Shareholding* : No Change in Promoters' Shareholding

| S. 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 |
| | At the beginning of the year | There is no Change in Promoter's Shareholding between 01.04.2016 to 31.03.2017 | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | | |
| | At the end of the year | | | | |



(iv) **Shareholding Pattern of top ten Shareholder: (other than Directors, Promoters and holders of GDRs and ADRs).**

| S. No. | Shareholder's Name | Shareholding at the begning 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. | Dugar Growth Fund Private Limited | | | | |
| | At the beginning of the year | 149000 | 3.58 | 149000 | 3.58 |
| | At the end of the Year | 149000 | 3.58 | 149000 | 3.58 |
| 2. | Lata Arvind Shah | | | | |
| | At the beginning of the year | 40861 | 0.98 | 40861 | 0.98 |
| | At the end of the Year | 40861 | 0.98 | 40861 | 0.98 |
| 3. | Shelleen Chandra Narottam Shah | | | | |
| | At the beginning of the year | 34343 | 0.83 | 34343 | 0.83 |
| | Share Sold during the year {01.04.2016 to 31.03.2017} | (1443) | (0.037) | (1443) | (0.037) |
| | At the end of the Year | 32900 | 0.79 | 32900 | 0.79 |
| 4. | Fruition Venture Limited | | | | |
| | At the beginning of the year | 31000 | 0.75 | 31000 | 0.75 |
| | At the end of the Year | 31000 | 0.75 | 31000 | 0.75 |
| 5. | Ansuya Suresh Shah | | | | |
| | At the beginning of the year | 24506 | 0.59 | 24506 | 0.59 |
| | At the end of the Year | 24506 | 0.59 | 24506 | 0.59 |
| 6. | Enkay India Rubber Co. Pvt. Ltd. | | | | |
| | At the beginning of the year | 24445 | 0.59 | 24445 | 0.59 |
| | At the end of the Year | 24445 | 0.59 | 24445 | 0.59 |
| 7. | Pushpa Mithali Gandhi | | | | |
| | At the beginning of the year | 23141 | 0.56 | 23141 | 0.56 |
| | At the end of the Year | 23141 | 0.56 | 23141 | 0.56 |
| 8. | Savitri Devi Radha Kishan Jaipuria | | | | |
| | At the beginning of the year | 19420 | 0.47 | 19420 | 0.47 |
| | Share Purchase during the year {01.04.2016 to 31.03.2017} | 745 | 0.01 | 745 | 0.01 |
| | Share Sold during the year (01.04.2016 to 31.03.2017) | (729) | (0.01) | (729) | (0.01) |
| | At the end of the Year | 19436 | 0.47 | 19436 | 0.47 |
| 9. | Rakesh Kumar Sikri | | | | |
| | At the beginning of the year | 18643 | 0.45 | 18643 | 0.45 |
| | Share Purchase during the year (01.04.2016 to 31.03.2017) | 220 | 0.0 | 220 | 0.0 |
| | At the end of the Year | 18863 | 0.45 | 18863 | 0.45 |
| 10. | Hira Laxmi Shah | | | | |
| | At the beginning of the year | 18691 | 0.45 | 18691 | 0.45 |
| | At the end of the Year | 18691 | 0.45 | 18691 | 0.45 |

(v) Shareholding of Directors and Key Managerial Personnel:

| S. No. | Shareholding of each Directors and each Key Managerial Personnel | 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. | Shri Devinder Kumar Jain | | | | |
| | At the beginning of the year | 167,200 | 4.02 | 167,200 | 4.02 |
| | [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): | NA | | NA | |
| 2. | Shri Narinder Jain | | | | |
| | At the beginning of the year | 167,200 | 4.02 | 167,200 | 4.02 |
| | [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): | NA | | NA | |
| 3. | Mr. Arun Jain | | | | |
| | At the beginning of the year | 84,300 | 2.03 | 84,300 | 2.03 |
| | [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): | NA | | NA | |
| 4. | Mr. Manish Jain | | | | |
| | At the beginning of the year | 91,300 | 2.19 | 91,300 | 2.19 |
| | [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): | NA | | NA | |
| 5. | Mr. Pankaj Jain | | | | |
| | At the beginning of the year | 233,500 | 5.61 | 233,500 | 5.61 |
| | [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): | NA | | NA | |
| | At the end of the year | 233,500 | 5.61 | 233,500 | 5.61 |

| | | | | | |
|-----|---|----------------------------|-------------------------|----------------------------|-------------------------|
| 6. | Mr. Neeraj Jain At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease {e.g. allotment /transfer / bonus / sweat equity etc.}] At the end of the year | 91,500 NA 91,500 | 2.20 2.20 | 91,500 NA 91,500 | 2.20 2.20 |
| 7. | Shri. Mahavir Prasad Gupta At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease {e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | - - - | - - - | - - - | - - - |
| 8. | Shri Mohan Lal Mangla At the beginning of the year Share sold during the Financial Year 2016-17 (26.06.2016) At the end of the year | 1000 (1000) - | 0.02 (0.02) - | 1000 (1000) - | 0.02 (0.02) - |
| 9. | Shri Sunil Kumar Jain At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease {e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | - - - | - - - | - - - | - - - |
| 10. | Shri Vijay Kumar Sood At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease {e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | - - - | - - - | - - - | - - - |

| | | | | | |
|-----|--|------------------|----------------------|------------------|----------------------|
| 11. | Shri Vijender Kumar Jain At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | - - - | - - - | - - - | - - - |
| 12. | Smt. Nisha Paul At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | 200 NA 200 | 0.004 NA 0.004 | 200 NA 200 | 0.004 NA 0.004 |
| 13. | Ms. Sudha Singh (Company Secretary) At the beginning of the year [Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.): At the end of the year | - - - | - - - | - - - | - - - |

(V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(Amount in ₹)

| | Secured Loans excluding deposits | Unsecured Loans | Deposit | Total Indebtedness |
|--|----------------------------------|-----------------|---------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 181993197 | 219777652 | NIL | 401770849 |
| ii) Interest due but not paid | 96013 | 31339489 | NIL | 31435502 |
| iii) Interest accrued but not due | 256101 | NIL | NIL | 256101 |
| Total (i+ii+iii) | 182345311 | 251117141 | NIL | 433462452 |
| Change in Indebtedness during the financial year | | | | |
| *Addition | 6,201,878 | 59180106 | NIL | 65,381,984 |
| *Reduction | 0 | 48699811 | NIL | 48,699,811 |
| Net Change | 6,201,878 | 10480295 | NIL | 16,682,173 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 188,040,986 | 227395426 | NIL | 415,436,412 |
| ii) Interest due but not paid | 0 | 34202011 | NIL | 34,202,011 |
| iii) Interest accrued but not due | 506,203 | 0 | NIL | 506,203 |
| Total (i+ii+iii) | 188,547,189 | 261597437 | NIL | 450,144,626 |



(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹

| S. No. | Particulars of Remuneration | Name of MD / WTD / KMP | | | | | | Total in ₹ |
|---|--|---|-------------------------------|---------------------|-----------------------|-----------------------------|-----------------------|------------|
| | | Shri Devinder Kumar Jain (MD & CEO) | Shri Narinder Kumar Jain (MD) | Mr. Arun Jain (WTD) | Mr. Manish Jain (WTD) | Mr. Pankaj Jain (WTD & CFO) | Mr. Neeraj Jain (WTD) | |
| 1. | Gross Salary | | | | | | | |
| | a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 4,068,860 | 3,922,400 | 3,165,847 | 3,163,304 | 3,167,022 | 3,079,773 | 20,567,206 |
| | b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | 39,600 | 39,600 | 39,600 | 32,400 | 32,400 | 32,400 | 216,000 |
| | c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | - | - | - | - | - |
| 2. | Stock Option | NA | NA | NA | NA | NA | NA | NA |
| 3. | Sweat Equity | NA | NA | NA | NA | NA | NA | NA |
| 4. | Commission | NA | NA | NA | NA | NA | NA | NA |
| | - as % of profit | | | | | | | |
| | - others, specify | | | | | | | |
| 5. | Others, please specify | NA | NA | NA | NA | NA | NA | NA |
| | Total (A) | 4,108,460 | 3,962,000 | 3,205,447 | 3,195,704 | 3,199,422 | 3,112,173 | 20,783,206 |
| | Ceiling as per the Act | as per section II, Part II of Schedule V of the Companies Act, 2013 | | | | | | |
| * Gratuity and Leave encashment not included. | | | | | | | | |

B. Remuneration to other Directors

Amount in ₹

| S. No. | Particulars of Remuneration | Name of Directors | | | | | | Total |
|--------|----------------------------------|--|------------------|-----------------|-----------------|-----------------|-----------------|------------|
| | | Shri M. L. Mangla | Shri M. P. Gupta | Shri Sunil Jain | Shri V. K. Sood | Shri V. K. Jain | Smt. Nisha Paul | |
| 1. | Independent Director | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 72,000 |
| | Fee for attending board meetings | | | | | | | |
| | Commission | - | - | - | - | - | - | - |
| | Other, please specify | - | - | - | - | - | - | - |
| | Total (1) | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 72,000 |
| 2. | Other Non-Executive Directors | - | - | - | - | - | - | - |
| | Commission | - | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - | - |
| | Total (2) | - | - | - | - | - | - | - |
| | Total (B) = (1+2) | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 72,000 |
| | Total Managerial Remuneration | | | | | | | 20,855,206 |
| | Overall Ceiling as per the Act | As per Section 197 and Schedule V of the Companies Act, 2013 | | | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

| S. No. | Particulars of Remenuration | Key Managerial Personnel | | | |
|--------|--|--------------------------|---|-----|-------|
| | | CEO | CS [Sudha Singh] (Total Amount in ₹) | CFO | Total |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | 402,000 | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission - as % of profit - others, specify : (Bonus) | - | - | - | - |
| 5. | Others, please specify | - | 9,026 | - | - |
| | Total | - | 411,026 | - | - |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NA

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ compounding | Authority [RD / NCLT/ COURT] | Appeal made, if any (give details) |
|------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Narinder Kumar Jain
Managing Director
DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi -110007
Dated: 21st August, 2017



“Annexure to MGT -9”

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part “A”: Subsidiaries

NOT APPLICABLE

1. Names of subsidiaries which are yet to commence operations - N.A.
2. Names of subsidiaries which have been liquidated or sold during the year Refer Note *

*Note : The erstwhile 100% Subsidiary Company M/s Cosco Polymer Lanka (Private) Limited (CPLPL) incorporated in Sri Lanka has been scheduled in the Revival of Underperforming Enterprises or Underutilized Assets Act, No 43 of 2011(of Sri Lanka). The Shares of the WOS are vested in Secretary to the Treasury of Government of Sri Lanka pursuant to acquisition by the Government under 'Revival of Under Performing Enterprises or Under Utilized Assets Act of Sri Lanka (Act No. 43 of 2011)'. Competent Authority appointed under the Act is controlling, administering and managing such Enterprises/Units/Assets. CPLPL is under Liquidation Case Ref. No. HC (Civil) 40/2013(CO) under the Jurisdiction of Hon'ble The Commercial High Court of The Western Province (Exercising Civil Jurisdiction) in Colombo (Sri Lanka).

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1. Names of associates or joint ventures which are yet to commence operations - N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year- N.A

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Narinder Kumar Jain
Managing Director
DIN : 00195619

Registered Office:
2/8, Roop Nagar,
Delhi-110007
Dated: 21st August, 2017

Annexure-'D'
(Forming Part of the Directors' Report)

Statement containing particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2017

A. CONSERVATION OF ENERGY

(i) Steps taken or Impact on conservation of energy:

The company has continued its efforts to improve energy efficiency. Steps taken during the year to conserve energy include :

- a) Installation of new steam jets.
- b) Replacement of old equipment with energy efficient equipment.
- c) Flash steam recovery from the boiler.
- d) Replacement of conventional lights with LED lights.

(ii) Steps taken by the Company for utilizing alternate sources of energy

No alternative source of energy was used during the period under review.

(iii) Capital Investment on energy conservation equipment

- Nil (Previous year Nil)

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption :

- (a) Efforts towards technology absorption included continued efforts for process improvements and improved formulation types to improve the product quality, productivity and profitability of the Company.
- (b) Special focus has been given to develop safer formulations.

(ii) Benefits derived

- (a) Process improvements resulted in cost optimization.
- (b) Improvements in existing products and formulations helped to increase product sales.

(iii) Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology during last three years.

(iv) Expenditure on Research & Development (₹ in Lacs)

| | 2016-17 | 2015-16 |
|--|----------------|----------------|
| Capital | Nil | Nil |
| Recurring | 0.03 | 0.49 |
| Total | 0.03 | 0.49 |
| Total R&D expenditure as a % of total turnover | 0.004 | 0.004 |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lacs)

| | 2016-17 | 2015-16 |
|-----------------------------|----------------|----------------|
| i) Foreign Exchange earning | 259.93 | 243.19 |
| ii) Foreign Exchange outgo | 4525.27 | 4327.78 |



ANNEXURE 'E1'

(Forming Part of the Directors' Report)

CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015, given below are the corporate governance policies and practices of Cosco (India) Limited for the year 2016-17.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

The Board of Directors and the Management of your Company is committed to

- sound & ethical business practices
- ensure transparency and professionalism in all decisions and transactions of the Company
- build brand value of its products
- good Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance.

BOARD OF DIRECTORS

- i. The Composition of the Board of Directors during FY 2016-17 is given herein. As on March 31st, 2017, the Company has twelve directors. Of the Twelve Directors, Six (i.e. 50%) are non-executive Independent directors including woman Director and six (i.e. 50%) are Executive directors. The composition of the board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31st, 2017 have been made by the directors. None of the NEDs serve as IDs in more than seven listed companies and none of the Executive or Whole-time Directors serve as IDs on any listed company.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- iv. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2017 are given herein below.

I Composition: The Board of Directors is headed by Shri Devinder Kumar Jain - Managing Director and CEO. Board consisted of the following Directors as on March 31, 2017, categorized as indicated.

| (A) | Promoters Group | Designation | Category | DIN | Relationship between Directors Inter-se |
|-----|--------------------------|----------------------|----------|----------|--|
| | Shri Devinder Kumar Jain | Mg. Director and CEO | ED | 00191539 | Shri Narinder Kumar Jain (Brother), Mr. Arun Jain (Son), Mr. Manish Jain (Son) |
| | Shri Narinder Kumar Jain | Mg. Director | ED | 00195619 | Shri Devinder Kumar Jain (Brother), Mr. Neeraj Jain (Son), |
| | Mr. Arun Jain | Whole Time Director | ED | 01054316 | Shri Devinder Kumar Jain (Father), Mr. Manish Jain (Brother), |

| | | | | | |
|-----|---------------------------|-----------------------------|-----|----------|--|
| | Mr. Manish Jain | Whole Time Director | ED | 00191593 | Shri Devinder Kumar Jain (Father), Mr. Arun. Jain (Brother), |
| | Mr. Pankaj Jain | Whole Time Director and CFO | ED | 00190414 | NIL |
| | Mr. Neeraj Jain | Whole Time Director | ED | 00190592 | Shri Narinder Kumar Jain (Father), |
| (B) | Independent | | | | |
| | Shri Mohan Lal Mangla | Director | NED | 00311895 | NIL |
| | Shri Mahavir Prasad Gupta | Director | NED | 00190550 | NIL |
| | Shri Sunil Kumar Jain | Director | NED | 00387451 | NIL |
| | Ms. Nisha Paul | Director | NED | 00325914 | NIL |
| | Shri Vijay Kumar Sood | Director | NED | 01525607 | NIL |
| | Shri Vijender Kumar Jain | Director | NED | 06423328 | NIL |

ED - Executive Director, NED - Non-Executive Director.

II Attendance at Board Meetings and last Annual General Meeting and details of membership of Directors in other Boards and Board Committees.

(A) Details of Board Meetings held during the year 2016-17

| | Date of Meeting | Board Strength | No. of Directors Present |
|--|--------------------|----------------|--------------------------|
| | May 30, 2016 | 12 | 12 |
| | June 21, 2016 | 12 | 05 |
| | August 12, 2016 | 12 | 12 |
| | September 03, 2016 | 12 | 06 |
| | November 14, 2016 | 12 | 12 |
| | February 14, 2017 | 12 | 11 |

- v. Six board meetings were held during the year and the gap between two board meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.
- vi. During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the Independent directors are disclosed on the website of the Company.
- viii. During the year a separate meeting of the Independent directors was held inter-alia to review the performance of non- Independent directors and the Board as a whole.
- ix. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.
- x. The details of the familiarisation programme of the Independent Directors are available on the website of the Company

(http://www.cosco.in/uploads/investors/details_of_familiarisation_programme_imparted_to_independent_directors_1491995138.pdf).



(B) Directors' Attendance Record and Directorship held :

| Name of the Director | No. of Board Meeting Attended | Whether attended last AGM held on 30th September, 2016 | No. of Directorship held in other Companies | No. of Committee position held in other Companies as a Chairman | No. of Committee position held in other Companies as a Member |
|--------------------------|-------------------------------|--|---|---|---|
| Shri Devinder Kumar Jain | 6 | Yes | 4 | Nil | Nil |
| Shri Narinder Kumar Jain | 6 | Yes | 4 | Nil | Nil |
| Mr. Pankaj Jain | 5 | Yes | 1 | Nil | Nil |
| Mr. Manish Jain | 6 | Yes | Nil | Nil | Nil |
| Mr. Neeraj Jain | 6 | Yes | Nil | Nil | Nil |
| Mr. Arun Jain | 5 | Yes | Nil | Nil | Nil |
| Shri Mohan Lal Mangla | 4 | No | Nil | Nil | Nil |
| Shri M. P. Gupta | 4 | No | Nil | Nil | Nil |
| Shri Sunil Kumar Jain | 4 | No | 3 | Nil | Nil |
| Shri Vijay Kumar Sood | 4 | Yes | 1 | Nil | Nil |
| Shri Vijender Kumar Jain | 4 | Yes | Nil | Nil | Nil |
| Ms. Nisha Paul | 4 | No | 1 | Nil | Nil |

(III) Information in respect of appointment of new Directors & re-appointment of existing Directors.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting in pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| SI No. | Name of Director | Brief Resume | Expertise in Specific functional areas | Directorship in other Companies |
|--------|------------------|--|---|--|
| 1. | Mr. Arun Jain | Aged about 51 years Engineer and MBA About 25 Years of experience | Managing Plant Operations and Production and Associate with research and development of new product | NIL |
| 2. | Mr. Neeraj Jain | Aged about 45 years B.E., M.Sc. & MBA About 23 Years of experience | International Trade and Sourcing of New Product | NIL |
| 3. | Mr. Manish Jain | Aged about 47 years B.E., M.Sc. & MBA About 24 Years of experience | Managing Plant Operations and Production and Associate with research and development of new products. | NIL |
| 4. | Mr. Pankaj Jain | Aged about 46 years B. Com and MBA About 24 Years of experience | Finance, Marketing and developing of new products for International Market | The Sports Goods Export Promotion Council. |
| 5. | Ms. Nisha Paul | Aged about 57 years Graduated, About 28 Year's experience. | Experienced in Tour and Travel , Human resource and Public Relations. | Paul Air Transport Private Limited |

| | | | | |
|-----|---------------------------|--|--|--|
| 6. | Shri Mahavir Prasad Gupta | Aged about 77 years Post Graduation- Educationist, Former head and dean of Delhi School of Management Studies. About 50 Year's | Vast Knowledge in the areas of Business and Management. | NIL |
| 7. | Shri Sunil Kumar Jain | Aged about 62 years Graduate about 34 Year's experience | Industrial Mangement | H.B. Velvet Private Limited, Vijay Vallabh Securities Limited Jain Cord Industries Private Limited |
| 8. | Shri Mohal Lal Mangla | Aged about 76 years Law Graduate and Advocate about 49 year's experience | Vast Legal Experience including intellectual property rights | NIL |
| 9. | Shri Vijender Kumar Jain | Aged about 62 years Chartered Accountant, about 36 year's experience | Vast experience as practicing Chartered Accountant in Finance, Accounts, Audit, Taxation and Company law Matters | NIL |
| 10. | Shri Vijay Kumar Sood | Aged about 74 years Graduate about 54 year's experience | About 32 years in Armed Forces and 19 years experience in Event Mangement and Sports Goods Promotion. | Vijay Vallabh Securities Limited |

(Refer also statement forming part of Notice of 38th Annual Meeting issued to the Shareholders of the Company)

CODE OF CONDUCT

The Board has laid down a Code of Conduct for the Directors and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed their compliance with the Code. The Code of Conduct is available on the Company's website viz. www.cosco.in. A declaration to this effect signed by the Managing Directors and CEO of the Company forms a part of this Report.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



BOARD COMMITTEES

The Board of Directors has constituted the following committees with adequate delegation of powers.

1. AUDIT COMMITTEE

Terms of Reference :- The audit committee is authorized to exercise all the power and perform all the functions as specified in section 177 of the Companies Act, 2013 and the rules made there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The said committee reviews reports of the internal Auditors, meets Statutory Auditors and Internal Auditors periodically to discuss their findings and suggestions, internal control systems, scope of audit, observations of the auditors and their related matters and reviews major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated to and taken note by the Board of Directors. The Company Secretary acts as the Secretary of the Committee

The composition of the Audit Committee is as follows:

| | | |
|-----------------------|----|-------------------------------------|
| Independent Directors | -- | Shri Vijender Kumar Jain - Chairman |
| | -- | Shri Mahavir Prasad Gupta |
| | -- | Shri Sunil Kumar Jain |

The members of the Audit Committee are well experienced in the field of finance, accounts and management. The Chairman of the Committee is Chartered Accountant. The powers and terms of reference of the Committee are as contained in Regulation 18(3) (Part C of Schedule II) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Meetings of the Committee during the year were held on 30th May, 2016, 12th August, 2016, 14th November, 2016 and 14th February, 2017.

(B) Details of Meetings of Audit Committees held during the year 2016-17

| Name of the Member | No. of Meeting held | No. of Meeting attended |
|---------------------------|---------------------|-------------------------|
| Shri Vijender Kumar Jain | 4 | 4 |
| Shri Mahavir Prasad Gupta | 4 | 4 |
| Shri Sunil Kumar Jain | 4 | 4 |

Shri Vijender Kumar Jain, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 30th September 2016, to answer shareholders' queries.

The necessary quorum was present at all the meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference :- The Nomination and Remuneration Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said committee is authorised to exercise all powers specified in the Companies Act, 2013 and rules made there under, Nomination and Remuneration Policy of the Company and the listing agreement with the Stock Exchange as amended from time to time.

The Committee consists of following Directors :

| | | |
|-----------------------|----|----------------------------------|
| Independent Directors | -- | Shri Mohan Lal Mangla - Chairman |
| | -- | Shri Sunil Kumar Jain |
| | -- | Shri Vijay Kumar Sood |

The terms of reference of the committee are as contained in Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 & schedule V of the Companies Act, 2013.

The Meeting of the committee was held on 22 April, 2016. All members of the Committee were present in the meeting. The Committee approved the remuneration of all the Executive Directors.

The appointment and remuneration of all the Executive Directors have been fixed in terms of Resolutions passed by members in General Meetings.

Remuneration paid to the Executive Directors during the financial year ended 31.03.2017 is given below:

| Name | Designation | Salary | HRA | PF | Medical Exp. | Car Perk** | Other Perks | Contact No. of yrs). |
|--------------------------|---------------------------|-----------|-----------|--------|--------------|------------|-------------|----------------------|
| Shri Devinder Kumar Jain | Mg. Director and CEO | 2,580,000 | 1,290,000 | 21,600 | 198,860 | 39,600 | Refer Note | 3 |
| Shri Narinder Kumar Jain | Managing Director | 2,580,000 | 1,290,000 | 21,600 | 52,400 | 39,600 | Refer Note | 3 |
| Mr. Arun Jain | Whole Time Director | 2,040,000 | 1,020,000 | 21,600 | 105,847 | 39,600 | Refer Note | 3 |
| Mr. Manish Jain | Whole Time Director | 2,040,000 | 1,020,000 | 21,600 | 103,304 | 32,400 | Refer Note | 3 |
| Mr. Pankaj Jain | Whole Time Director & CFO | 2,040,000 | 1,020,000 | 21,600 | 107,022 | 32,400 | Refer Note | 3 |
| Mr. Neeraj Jain | Whole Time Director | 2,040,000 | 1,020,000 | 21,600 | 19,773 | 32,400 | Refer Note | 3 |

**** Car with Driver partly for personal use valued as per Income Tax Rules.**

Note: - Other Perks and Allowances

In addition following Perks and Allowances were permissible / allowed to all the Directors:

- Gratuity and Leave encashment as per actuarial valuation
- Telephones provided for official use.

The sitting fees paid/payable to the Non Executive (Independent) Directors for the year ended on 31st March 2017 are as follows:

| | | | |
|---------------------------|--------------|--------------------------|--------------|
| Shri Mohan Lal Mangla | : Rs. 12,000 | Shri Sunil Kumar Jain | : Rs. 12,000 |
| Shri Mahavir Prasad Gupta | : Rs. 12,000 | Shri Vijender Kumar Jain | : Rs. 12,000 |
| Shri Vijay Kumar Sood | : Rs. 12,000 | Ms. Nisha Paul | : Rs. 12,000 |

Detail of Shareholding of Non-Executive (Independent) Directors

| Name | No. of Equity Shares held | Name | No. of Equity Shares held |
|---------------------------|---------------------------|--------------------------|---------------------------|
| Shri Mohan Lal Mangla | - | Shri Sunil Kumar Jain | - |
| Shri Mahavir Prasad Gupta | - | Shri Vijender Kumar Jain | - |
| Shri Vijay Kumar Sood | - | Ms. Nisha Paul | 200 |

The Company does not have any employee stock option scheme.

Nomination & Remuneration policy

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry. The Nomination and Remuneration Policy has been approved by Cosco (India) Limited's Board of Directors. The said policy has been also put up on the website of the Company at the following link-

http://www.cosco.in/uploads/investors/nomination_remuneration_pol_44081168715.pdf

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing directors and the Executive directors. Annual increments are decided by the Nomination and Remuneration Committee (NRC) within the salary scale approved by the members of the Company and are effective from April 1st each year. During the year 2016-17, the Company paid sitting fees of Rs. 3,000 per meeting to its non-executive directors for attending board meetings.

**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Terms of Reference :- The Stake holders Relationship Committee is authorised to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and the rules made there under and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said committee is authorised to look into redressal of shareholders / investors complaint relating to transfer of shares, non receipt of balance sheet and also authorised to issue duplicate share certificate in place of those torn /mutilated/ defaced/ lost/misplaced subject to compliance of prescribed formalities.

The Committee consists of following Directors.

| | | |
|-----------------------|----|---------------------------------|
| Shri Sunil Kumar Jain | -- | Chairman Non Executive Director |
| Mr. Pankaj Jain | -- | Executive Director |
| Mr. Neeraj Jain | -- | Executive Director |

The terms of reference of the committee are as specified in Section 178 of Companies Act, 2013 & under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Meetings of the Committee were normally held Quarterly during the year 2016-17

The Committee met 4 times during the Year 2016-17 on 30.05.2016, 12.08.2016, 14.11.2016, and 14.02.2017, The Committee is looking after the work of Share Transfer/Transmission/Split/ Consolidation of Shares and Investors grievances.

(B) Details of Meetings of Stakeholders Relationship Committees held during the year 2016-17

| Name of the Member | No. of Meeting held | No. of Meeting attended |
|-----------------------|---------------------|-------------------------|
| Shri Sunil Kumar Jain | 4 | 4 |
| Mr. Pankaj Jain | 4 | 3 |
| Mr. Neeraj Jain | 4 | 4 |

| | | |
|---|---|-----|
| Total No. of Complaints received during the year | : | Nil |
| No. of unsolved complaints to the satisfaction of shareholders | : | Nil |
| No. of transfers pending for registration for more than 30 days | : | Nil |

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference :- The Corporate Social Responsibility Committee is authorised to exercise all powers and perform all the functions as per the policy framed. A detailed CSR Policy was framed by the Company on 30th May 2017, with approvals of the CSR Committee and Board of Directors.

The said policy has been also put up on the website of the Company at the following link-

http://www.cosco.in/uploads/investors/corporate_social_responsibility_policy_1499423528.pdf

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board at its meeting held on 30th May 2017, with the following members:

The Committee consists of following Directors.

| | |
|--------------------------|---------------------------------|
| Ms. Nisha Paul | Chairman - Independent Director |
| Shri Devinder Kumar Jain | Executive Director |
| Mr. Pankaj Jain | Executive Director |
| Mr. Neeraj Jain | Executive Director |

Name, Designation and Address of Compliance officer

Ms. Sudha Singh
Company Secretary & Compliance Officer
2/8, Roop Nagar, Delhi- 110 007
Ph. 011- 23843000

GENERAL BODY MEETINGS

(1) Details of location and time of holding the last three AGMs.

| Year | Location | Date & Time |
|-----------------|---|-----------------------------------|
| 35th AGM - 2014 | Amitabh, E-23, 2 nd Floor, Bungalow Road, Kamla Nagar, Delhi - 110 007 | 30th September, 2014 - 10.30 A.M. |
| 36th AGM - 2015 | Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi - 110 007 | 30th September, 2015 - 10.30 A.M. |
| 37th AGM - 2016 | Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi - 110 007 | 30th September, 2016 - 10.30 A.M. |

- (a) No other Shareholders' Meeting was held in the last three years.
- (b) In the AGM held on 30th September, 2014 no Special Resolutions was passed.
- (c) In the AGM held on 30th September, 2015 two Special Resolutions were passed in respect of re-appointment of Shri Devinder Kumar Jain as Managing Director & CEO, and Shri Narinder Kumar Jain as Managing Director for a period of three years w.e.f. 16.03.2016 and fixation of their remuneration and also restructuring their remuneration w.e.f. 01.04.2016.
- (d) In the AGM held on 30th September, 2016 no Special Resolutions was passed.
- (e) Postal Ballot :- No resolution of shareholders was passed through postal ballot during the year under review.

Remote e-voting and ballot voting at the AGM

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company arranged for a remote e-voting facility. The Company engaged NSDL to provide e-voting facility to all the members. Members whose names appeared on the register of members as on 23rd September, 2016 were eligible to participate in the e-voting.

The facility for voting through ballot / polling paper was also made available at the AGM and the members who did not cast their vote by remote e-voting were allowed to exercise their vote at the AGM

Unclaimed Dividends

The provisions of Section 124 of the Companies Act, 2013, mandates that the Companies shall transfer the Dividends that has been Unclaimed for a period of 7 Years from the Unpaid Dividend and Unclaimed Dividend Account to Investor Education and Protection Fund (IEPF) of the Central Government. The Dividend for FY 2015-16 if Unclaimed with in the period of seven years will be transferred to the IEPF.

Members who have not so far encashed their interim dividend warrants for the financial year 2015-16 are requested to approach the company for obtaining fresh instrument(s) in lieu of expired dividend warrant(s).

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amounts of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The amount of unclaimed dividend for the financial year ended March 31, 2016 would be transferred to the IEPF in FY 2022. The Act has also provided that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF is also required to be transferred to the IEPF Authority. The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') on September 7, 2016 and further amendment and clarification on the same which provides for manner of transfer of unpaid and unclaimed dividends to IEPF and also the manner of transfer of shares in respect of which dividend has not been encashed by the Members for a continuous period of seven years to the IEPF Authority. The Rules also prescribe the procedures to be followed by an investor to claim the shares/amount transferred to IEPF.

To enable such Members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

The Ministry of Corporate Affairs ('MCA') on May 10, 2012 notified the Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends on the website of the Company under 'Investors' section viz. www.cosco.in

Members who have not yet encashed their Dividend warrant(s) for the Financial year 2015-16 are requested to make their claims without any further delay to the company's Registered Office 2/8, Roop Nagar, Delhi-110007.



Members who have not encashed their interim dividend warrants pertaining to the aforesaid year may approach the Company/its Registrar, for obtaining their unclaimed dividend.

| Year | Dividend Per Share in ₹ | Date of Declaration | Due Date for Transfer | Amount in ₹. |
|---------|-------------------------|---------------------|-----------------------|--------------|
| 2015-16 | 1 | 12.08.2015 | 18th, September, 2022 | 82,781 |

Disclosures

i. Related Party Disclosures:

Related party disclosures are given at Note No. 35 in relation to Notes on Accounts to Financial Statements of the Company. The transactions with the related parties were not in conflict with the interests of the Company at large.

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link- http://www.cosco.in/uploads/investors/related-party-policy_86228442984.pdf

ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any Statutory Authority, on any matter related to capital markets, during the last three years 2014-15, 2015-16 and 2016-17 respectively: NIL

iii. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link-

http://www.cosco.in/uploads/investors/whistle_blower_policy_cosco_88209735742.pdf

iv. The Company has also adopted Policy on Determination of Materiality for Disclosures :-

http://www.cosco.in/uploads/investors/policy-on-criteria-for-determining-materiality-of-events_56834049104.pdf

v. Policy on Archival of Documents and Policy for Preservation of Documents.

http://www.cosco.in/uploads/investors/archival_policy_57137519215.pdf

RECONCILIATION OF SHARE CAPITAL AUDIT:

A qualified Practicing Company Secretary carried out quarterly Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted The code applicable to the members of the board and senior management personnel and all employees of the Company. The code is available on the website of the Company www.cosco.in.

All the members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31st, 2017. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

CEO/CFO Certification

A Certificate from Managing Director & CEO and Whole Time Director & CFO as per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board regarding the Financial Statements of the Company, Specified Transactions, Internal Controls, Significant Changes, if any, in Accounting Policies, for the year ended 31st March, 2017. The same has been provided in this Annual Report.

Means of Communication

The Quarterly, Half Yearly and Annual Results are regularly submitted to BSE Limited where the Company's securities are listed Stock Exchange and are published in daily news-papers - Pioneer (English & Hindi) and same has been uploaded on Company website at www.cosco.in. The Quarterly, Half Yearly Results were not sent to household of Shareholders.

The Audited Financial Statements form part of the Annual Report which is sent to members well in advance of the Annual General Meeting.

The company also informs by way of intimation BSE Limited and placing on its website all price sensitive matters or such other relevant matters, which in its opinion are material.

The Company has not displayed any official news release on the Company's website. No presentations were made to any institutional investors or analysts.

Management Discussion & Analysis

Management Discussion & Analysis forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

a) 38th Annual General Meeting

| | | |
|---------------|---|--|
| Date and Time | : | 29 th September, 2017 10.30 AM |
| Venue | : | AMITABH, E-23, Bungalow Road, Kamla Nagar, Delhi 110 007. |

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 29th, 2017.

b) Financial Calendar

| | | |
|----------------|---|---|
| Financial Year | : | 1 st April to 31 st March |
|----------------|---|---|

For the year ended 31st March 2017 the quarterly results were announced as under:-

| | | |
|---------------------------------------|---|---------------------------------|
| 1st Quarter ended 30th June 2016 | : | 12 th August, 2016 |
| 2nd Quarter ended 30th September 2016 | : | 14 th November, 2016 |
| 3rd Quarter ended 31st December 2016 | : | 14 th February, 2017 |
| 4th Quarter ended 31st March 2017 | : | 30 th May, 2017 |

For the year ending 31st March 2018, the schedule of announcement of results is as under:-

| | | |
|--|---|--------------------------------|
| 1st Quarter ended 30th June 2017 | : | Second week of September, 2017 |
| 2 nd Quarter ending 30th September 2017 | : | Second week of November, 2017 |
| 3rd Quarter ending 31st December 2017 | : | Second week of February, 2018 |
| 4th Quarter ended 31st March 2018 | : | Last week of May, 2018 |

c) Book Closure Date

From 23rd September 2017 to 29th September 2017 (both days inclusive)

| | | |
|--------------------------|---|--|
| d) Dividend Payment Date | : | No Dividend declared during the FY 2016-17 |
|--------------------------|---|--|

| | | |
|-----------------------------|---|----------|
| e) Listing of Equity Shares | : | BSE Ltd. |
|-----------------------------|---|----------|

The listing fee has been paid up to date to

| | | |
|---------------------------------|---|---------------------------|
| f) (i) Stock Code/Security Code | : | BSE Limited (BSE): 530545 |
|---------------------------------|---|---------------------------|

(ii) Demat ISIN Numbers in NSDL & CDSL
Equity Shares - INE 949B01018



Stock Market Price Data: High low quotations on the Bombay Stock Exchanges during each month for the year 2016 - 2017 & performance in comparison to BSE Index:

| Months | Market Price* | | BSE Index** | |
|-----------------|---------------|----------|-------------|-----------|
| | High (a). | Low (a). | High | Low |
| April, 2016 | 144.30 | 126.40 | 26,100.54 | 24,523.20 |
| May, 2016 | 140.90 | 117.00 | 26,837.20 | 25,057.93 |
| June, 2016 | 149.50 | 127.10 | 27,105.41 | 25,911.33 |
| July, 2016 | 191.85 | 140.00 | 28,240.20 | 27,034.14 |
| August, 2016 | 194.35 | 150.00 | 28,532.25 | 27,627.97 |
| September, 2016 | 189.50 | 133.50 | 29,077.28 | 27,716.78 |
| October, 2016 | 217.40 | 147.35 | 28,477.65 | 27,488.30 |
| November, 2016 | 221.90 | 168.00 | 28,029.80 | 25,717.93 |
| December, 2016 | 204.00 | 157.60 | 26,803.76 | 25,753.74 |
| January, 2017 | 270.00 | 175.00 | 27,980.39 | 26,447.60 |
| February, 2017 | 287.05 | 220.00 | 29,065.31 | 27,590.10 |
| March, 2017 | 260.00 | 212.50 | 29,824.62 | 28,716.21 |

Shareholding Pattern as on 31st March, 2017

| Category of Shareholder | No. of Shares held at the end of the year (March 31, 2017) | |
|---|---|-------------------|
| | Total No. of Shares | % of Total Shares |
| A. Promoter's | | |
| (1) Indian | | |
| a) Individual/HUF | 1672800 | 40.20 |
| b) Central Govt. | - | - |
| c) State Govt.(s) | - | - |
| d) Bodies Corp. | 1447000 | 34.78 |
| e) Banks/Fl | - | - |
| f) Any other | - | - |
| Total Shareholding of Promoter (A) | 3119800 | 74.98 |
| B. Public Shareholding | | |
| (1) Institution | | |
| a) Mutual Funds | - | - |
| b) Banks/Fl | - | - |
| c) Central Govt. | - | - |
| d) State Govt.(s) | - | - |
| e) Venture Capital Funds | - | - |
| f) Insurance Companies | - | - |
| g) FIs | - | - |
| h) Foreign Venture Capital Funds | - | - |
| i) Others (specify) | - | - |
| Sub-Total (B)(1):- | - | - |
| 2. Non-Institutions | | |
| a) Bodies Corp. | 243688 | 5.86 |
| i) Indian | - | - |
| ii) Overseas | - | - |
| b) Individuals | - | - |
| i) Individual shareholders holding nominal share capital up to ₹ 1 lakh | 431308 | 10.36 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 285127 | 6.86 |
| c) Others (specify) | | |
| Non Resident Indians | 43843 | 1.05 |
| Overseas Corporate Bodies | - | - |
| Hindu Undivided family | 37033 | 0.89 |

| | | |
|---|---------|-------|
| Clearing Members | 201 | 0.005 |
| Trusts | - | - |
| Foreign Bodies - D R | - | - |
| Sub-total (B)(2):- | 1041200 | 25.02 |
| Total Public Shareholding (B)=(B0(1)+(B)(2) | 1041200 | 25.02 |
| C. Shares held by Custodian for | 0 | 0 |
| GDRs & ADRs | | |
| Grand Total (A+B+C) | 4161000 | 100 |

Distribution of Shareholding as on 31st March, 2017

| Share holding Nominal Value (₹) | Number of | % to Total Numbers Shareholders | Share holding Amount (₹) | % to Total Amount |
|---------------------------------|-------------|---------------------------------|--------------------------|-------------------|
| 1 | 2 | 3 | 4 | 5 |
| Up To 5,000 | 1572 | 89.32 | 1745260 | 4.19 |
| 5001 To 10,000 | 58 | 3.3 | 452350 | 1.09 |
| 10,001 To 20,000 | 35 | 1.99 | 537640 | 1.29 |
| 20,001 To 30,000 | 15 | 0.85 | 381570 | 0.92 |
| 30,001 To 40,000 | 13 | 0.74 | 468680 | 1.13 |
| 40,001 To 50,000 | 8 | 0.45 | 364050 | 0.87 |
| 50,001 To 1,00,000 | 16 | 0.91 | 1132460 | 2.72 |
| 1,00,000 and Above | 43 | 0.44 | 3652799 | 87.79 |
| Total | 1760 | 100 | 41610000 | 100 |

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity: **NIL**

Commodity price risk or foreign exchange risk and hedging activities: **NIL**

Dematerialization of Shares and liquidity

The Shares of the Company are traded in Demat mode. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL). The shares of the Company were dematerialized w.e.f. 27th November 2000. Approx. 97.87 % of the Equity Shares of the Company have been dematerialized as on March 31st 2017.

REGISTRAR AND TRANSFER AGENTS

Securities Transfer work in respect of both Physical and Demat segment are handled by the Registrar and Share Transfer Agents (R & TA) of the Company for all aspects of investor servicing relating to shares. The Share Transfers were approved by the Stakeholder's Relationship Committee of the Company.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31st, 2017, the Company does not have any outstanding GDRs/ADRs / Warrants or any convertible instruments.

**Plant Location:**

The Factory is situated at : 1688-2/31, Railway Road, Near Railway Station, Gurgaon-122001 (Haryana)
Phones: 91-124-2251781, 2251782, 2251783
Email: gurgaon@cosco.in

Address for Correspondence :

For Share Transfer/Demat of Share : M/s Skyline Financial Services Pvt. Ltd.,
or any other query relating to Shares D-153/A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi- 110020.
Ph. 91-11- 26812682, Tele-Fax: 91-11- 26812683,
E-mail ID : admin@skylinerta.com.

Status of compliances of Non mandatory requirements

1. The Board: The Company is headed by Managing Director and CEO.
2. The Auditors' Report on statutory Financial Statements of the Company is unqualified.
3. M/s PARM & SMRN, the internal auditors of the Company, make presentations to the audit committee on their reports.

The Company has not adopted the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) except as stated hereinabove.

ANNEXURE 'E2'
(Forming Part of the Directors' Report)

CERTIFICATE BY PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Cosco (India) Ltd.

1. We have examined the compliance of conditions of corporate governance by Cosco (India) Ltd., for the year ended on 31.3.2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations read with schedule V for the period to 31st March, 2017.
2. The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable.
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 Akhil Rohatgi & Co.

Akhil Rohatgi
Practicing Company Secretary
FCS No.: 1600
CP No: 2317

Date: 21st August, 2017
Place: Delhi



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

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31st, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Executive Directors, Chief Financial Officer, Company Secretary and employees in the Executive cadre as on March 31st, 2017.

Delhi
21st August, 2017

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

**CEO and CFO Certification
COMPLIANCE CERTIFICATE**

**(Pursuant to Regulation 17(8) of SEBI (Listing Obligations And Disclosure Requirements)
[Regulations, 2015]**

To,
The Board of Directors
Cosco (India) Limited
2/8, Roop Nagar
Delhi-110007

Dear Members of the Board,

We, Devinder Kumar Jain , Managing Director and Chief Executive officer and Pankaj Jain Whole Time Director and Chief Financial Officer of Cosco (India) Limited to the best of our Knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow statement of the Company for the year and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit committee:
 - a that there are no significant changes in internal control over financial reporting during the year;
 - b. that there are no significant changes in accounting policies during the year; and
 - c. that there are no instances of significant fraud of which we have become aware.

By order of the Board of Directors

Devinder Kumar Jain
Managing Director and CEO
DIN : 00191539

Pankaj Jain
Whole Time Director and CFO
DIN : 0090414

Registered Office:
2/8, Roop Nagar,
Delhi -110007



ANNEXURE - 'F'

(Forming Part of the Directors' Report)

MANAGEMENT DISCUSSION AND ANALYSIS (MD & A)

This may be read in conjunction with the Directors' Report

Economic Scenario

The Economic Survey for 2016-17 (Volume 2) released by the Government of India provides the outlook for 2017-18 as well as a review for the economy. The GDP growth at 7.1% during the year 2016-17 was lower against 8% GDP growth during 2015-16, partly on account of demonetization. The review indicates building optimism in Indian Economy owing to various structural reforms viz. Implementation of GST, Positive Impact of demonetization, Rationalization of energy subsidies. The government has forecast of for real GDP in the range of 6.75% - 7.5% in 2017-18.

Global GDP is projected to pick up modestly and is predicted to be around 3.5%. The majority of the world's economic growth will continue to be derived from the emerging markets, particularly in Asia. India continues to be the front runner ahead of China.

Industry Structure and Developments

India's Export of Indian Sports Goods and Toys remained positive despite the Global era of uncertainties in the last few years, India's Exports of Sports Goods and Toys in Rupee terms during FY 2016-17 was Rs. 1095.33 Crores compared to Rs. 1024.56 Crores during 2015-16 as per export data with Sports Goods Export Promotion Council, thus registering modest growth of 6.91%. The main items exported from India continue to be Inflatable Balls, Inflatable Balls Accessories, Sports Nets, Athletic Goods (General Exercise Equipments), Protective Equipment for Cricket, Cricket Bats.. The main export destinations are United Kingdom, Australia and USA.

The Indian Sports Goods & Toys industry is striving hard to maintain the momentum of growth under pressure of global competition. India's share of Sports Goods in the global market is quite low. Foreign Brands and overseas manufacturers/suppliers from China and other countries are having edge over Indian manufacturers. Sports Goods Industry in India has been predominantly in small and tiny sector based on manual processes. Sports Goods Industry in India is thriving for skilled & talented workforce. The unorganized sector is predominant and accounts for about 75 per cent. The main clusters of sports goods industry in India are in and around, Gurgaon, Jalandhar and Meerut. The Industry needs to diversify its product range and should go in for the production of Hi-tech sports items and physical equipment(s). The Indian Sports Goods Industry is gradually moving towards mechanization on a reasonable scale for increasing productivity and competitiveness of Indian Sports Goods Sector. The Industry is gradually adapting new technology to keep up with the changing global trends.

The sports goods industry has potential for employment, growth and export. Sports Industry in India needs Technological Upgradation, Setting up of composite sports clusters equipped with technical and logistics support of international standards and JVs with global Industry leaders. Budgetary allocations for Development of Sports in India have been quite less compared to the expenditure on sports by developed countries. Govt. of India and State Governments are gradually increasing budgetary allocations for Sports and taking progressive policy initiatives to promote Sports and Sports Industry. Development of Sports Sector in India has been lagging due to inadequate infrastructure.

Opportunities & Threats, Risks and Concerns:

The domestic market for Sports Goods and Health equipments etc. is expanding. Awareness about Health & Fitness and increasing popularity of sports will continue to drive market domestic growth of these products. The Sports Industry in India has some good quality manufacturing units and skilled manpower base. Overseas buyers, who are also looking for alternate sources of supply in addition to China and developing countries need to be explored for Exports.

Our company is dealing in wide range of Sports Goods and Fitness Equipments. The company manufactures mainly Sports Balls and has tie ups and arrangements with reputed international and Domestic manufacturers/suppliers. The Products are marketed mainly under 'Cosco Brand', which is well recognized in the Domestic Market. The Company has network of branches, distributors and about 760 authorized dealers in India and is one of the leading and most organized Indian Company in Sports Industry. The company has immense potential to leverage upon its brand, accreditation and quality to increase sales and profitability. The Company on continuous basis upgrades the quality of its products with in-house R & D. The products manufactured/traded by the company conform to International Standards. The company is also exploring new markets for export.

Segment-wise product-wise performance

The Company's products segments are classified broadly into two segments viz

- Own manufactured products viz Sports Balls
- Traded Goods viz Fitness Equipments and other sports goods.

The segment wise performance and relevant information is given in Notes on the Financial Statements (Refer Note No. 34 of Notes on the Financial Statements Segment Information)

Outlook

The company see promising future of Sports and Health & fitness in India. There is ever growing awareness about Sports and Fitness among the urban as well as rural population, which will further boost this product segment in India. Private Gymnasiums are growing at faster pace. Many multinational organizations have in-house gymnasiums or sponsor their staff for sports and fitness activities and/or organize intra-office sports events. The Government and Sports Organizations are taking initiative to promote Sports and are endeavoring for organizing more Sporting events in India. More Sports events on the lines of IPL are being organized in India across different sports segments. -

Threats

1. Competition from Global Brands and their popularity amongst Indian consumers;
2. Influx of cheap Chinese products ;
3. Infringement of Company's Brand and Trade mark by grey market operators;
4. Skilled Manpower constraints & rising manpower costs;

Internal control systems and their adequacy.

Your Company has in place adequate internal control systems and procedures commensurate with size and nature of its business. The internal control systems provide for policies, guidelines, authorizations and approval procedures. All the transactions are properly authorized, recorded and reported to the Management. The Company has appointed Internal Auditors who conduct Internal Audit periodically. Audit Committee reviews Internal Audit Reports and adequacy of internal controls for ensuring checks and balances and that internal control systems are properly followed. The company is following the applicable Accounting Standards. The system of internal financial control ensures that all transactions are evaluated, authorized, recorded and reported accurately and that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition. Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Discussion on financial performance with respect to operational performance.

The relevant information is given in the Directors' Report under headings Financial Results, Company's Performance and State of Affairs for Financial Year 2016-17 read with the Financial Statements.

Material developments in Human Resources/Industrial Relations

The Management believes in trust, transparency and teamwork. The thrust of the Company is to create responsive and market driven organization. The Company seeks to motivate and provide opportunities to its personnel to grow with the organization. The management believes that Human Resources is the driving force towards progress of the Company and regards it as its most valuable asset. Your company has a total strength of about 441 employees as on 31.03.2017. The relations with employees remained cordial and satisfactory during the year under review. Your Directors are thankful for the continued support and confidence reposed by all associated with the Company.



INDEPENDENT AUDITOR'S REPORT

To the members of Cosco (India) Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Cosco (India) Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31 March 2017 and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

- I. 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 paragraph 3 and 4 of the order.
- II. 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 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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 "Annexure B"; 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. the Company has provided requisite disclosures in its financial statements regarding holding and dealings in Specified Bank Notes as defined in the Notification S. O. 3407(E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016. Based on the representations provided to us by the management, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 39 to the financial statements.

For Madan & Associates
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30th May 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company and certificate provided by the bank, the title deeds of immovable properties are held in the name of the Company. Original copy of title deed has not been produced as the same is deposited as security with bank under loan agreement as confirmed by the management & Bank.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at the end of the year by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans and made any investment within the meaning of section 185 & 186 of the Act. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanation given to us, the company has not accepted any deposits from the public. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) It has been certified by the management that company is not required to maintain the cost records prescribed under sub section (1) of Section 148 of the Companies Act, 2013, since the same has not been specified by the Central Government. We have relied upon the assertions of the management
- (vii) In respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including provident Fund, Employees State insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2017 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, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited as at 31.03.2017 on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government during the year.
- (ix) The company has not obtained any term loan during the year, so this para of order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration 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. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given 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.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Madan & Associates
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30th May 2017



Annexure - B to the Auditors' Report

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 Cosco (India) Limited ("the Company") as of 31 March 2017 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 Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 31 March 2017, 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 Madan & Associates
Chartered Accountants
Firm's registration number: 000185N

M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 30th May 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

| | NOTE NO. | AS AT 31ST MARCH, 2017 | (Amount in ₹) AS AT 31ST MARCH, 2016 |
|---------------------------------------|----------|------------------------------|---|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' Funds | | | |
| a) Share Capital | 2 | 41,610,000 | 41,610,000 |
| b) Reserve and Surplus | 3 | 261,857,651 | 207,046,108 |
| (2) Non-Current Liabilities | | | |
| a) Long Term Borrowings | 4 | 140,000,000 | 140,976,345 |
| b) Other Long Term Liabilities | 5 | 6,278,000 | 5,783,000 |
| c) Long Term Provisions | 6 | 6,520,153 | 5,688,475 |
| (3) Current Liabilities | | | |
| a) Short Term Borrowings | 7 | 275,436,411 | 259,452,943 |
| b) Trade Payables | 8 | | |
| Micro, Small and Medium Enterprises | | 8,419,448 | 10,490,667 |
| Others | | 43,828,319 | 45,052,571 |
| c) Other Current Liabilities | 9 | 60,296,644 | 56,625,628 |
| d) Short Term Provisions | 10 | 45,250,483 | 41,368,432 |
| Total Equity & Liabilities | | 889,497,109 | 814,094,169 |
| II. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets : | 11 | | |
| (i) Tangible Assets | | 59,965,381 | 50,108,227 |
| (ii) Intangible Assets | | 211,448 | 452,883 |
| (iii) Capital Work in Progress | | 187,833 | 48,000 |
| (b) Non-Current Investments | 12 | 5,000 | 5,000 |
| (c) Deferred Tax Assets (Net) | 13 | 3,624,529 | 3,078,464 |
| (d) Long term Loans and Advances | 14 | 3,732,066 | 1,668,996 |
| (e) Other Non-Current Assets | 15 | 4,330,209 | 1,823,634 |
| (2) Current Assets | | | |
| (a) Current Investments | 16 | - | 293,750 |
| (b) Inventories | 17 | 457,458,712 | 472,373,813 |
| (c) Trade Receivables | 18 | 203,470,413 | 191,706,905 |
| (d) Cash & Cash Equivalents | 19 | 63,313,667 | 9,159,675 |
| (e) Short term Loans and Advances | 20 | 75,012,658 | 81,542,761 |
| (f) Other Current Assets | 21 | 18,185,193 | 1,832,061 |
| Total Assets | | 889,497,109 | 814,094,169 |

Significant Accounting Policies

Notes on Financial Statements

As per our report of even date.

1 to 40

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

C.A. M.K.MADAN

Proprietor
Membership No. 82214

PANKAJ JAIN

Whole Time Director and CFO
DIN : 00190414

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No. A33371

PLACE : New Delhi

DATED: 30th May, 2017



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH , 2017

(Amount in ₹)

| | NOTE NO. | FOR THE YEAR ENDED 31ST MARCH, 2017 | FOR THE YEAR ENDED 31ST MARCH, 2016 |
|--|------------|---|---|
| I. Revenue from operations | 22 | 1,355,576,185 | 1,259,315,535 |
| II. Other Income | 23 | 12,100,785 | 62.883 |
| III. Total Revenue (I+II) | | <u>1,367,676,970</u> | <u>1,259,378,418</u> |
| IV. Expenses : | | | |
| (a) Cost of materials consumed | 24 | 200,365,720 | 199,175,308 |
| (b) Purchase of Stock-in-Trade | 25 | 640,080,928 | 637,012,090 |
| (c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 26 | 27,558,296 | (49,117,022) |
| (d) Employee benefit expense | 27 | 136,009,659 | 116,968,932 |
| (e) Financial costs | 28 | 37,299,730 | 37,787,380 |
| (f) Depreciation | 11 | 10,023,572 | 9,391,135 |
| (g) Other expenses | 29 | 255,990,674 | 258,696,108 |
| Total Expenses | | <u>1,307,328,579</u> | <u>1,209,913,931</u> |
| V. Profit before exceptional and extraordinary items and Tax | | 60,348,391 | 49,464,487 |
| VI. Exceptional Items - charge / (income) | 30 | (16,364,071) | (146,747) |
| VII. Profit before extraordinary items and Tax | | <u>76,712,462</u> | <u>49,611,234</u> |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before Tax | (VII-VIII) | 76,712,462 | 49,611,234 |
| X. Tax Expenses : | | | |
| Current Tax | | 21,377,173 | 18,687,928 |
| Earlier Year Taxation | | 1,069,811 | (1,841,038) |
| Deferred Tax | 13 | (546,065) | (731,035) |
| XI. Profit for the period from continuing operations | | <u>54,811,543</u> | <u>33,495,379</u> |
| Earnings per Equity Share (Face Value ₹10) 31 | | | |
| Basic | | 13.17 | 8 .05 |
| Diluted | | 13.17 | 8 .05 |

Significant Accounting Policies

1 to 40

Notes on Financial Statements

As per our report of even date.

**FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS**

FIRM'S REGISTRATION NO. : 000185N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

C.A. M.K.MADAN

Proprietor
Membership No. 82214

PANKAJ JAIN

Whole Time Director and CFO
DIN : 00190414

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No. A33371

PLACE : New Delhi

DATED: 30th May, 2017



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| | FOR THE YEAR ENDED 31ST MARCH, 2017 | (Amount in ₹) FOR THE YEAR ENDED 31ST MARCH, 2016 |
|--|---|--|
| A. Cash Flow from Operating Activities : | | |
| Net Profit before tax | 76,712,462 | 49,611,234 |
| Adjustments to reconcile profit before tax and prior period items to cash provided by operations : | | |
| Depreciation | 10,023,572 | 9,391,135 |
| Finance Cost | 34,283,448 | 34,839,395 |
| Loss on sale of Assets | - | 1,570 |
| Assets written off | 2,304 | 48,301 |
| Bad & Doubtful Advances Provided | 200,000 | - |
| Land Compensation Claim | (15,871,780) | - |
| Interest Income | (4,072,811) | (13,491) |
| Profit on sale of Assets | (492,291) | (146,747) |
| Diminution in value of Investments Prov. W/back | (1,250) | (3,250) |
| Operating Profit before Working Capital Changes | 100,783,654 | 93,728,147 |
| Movements in Working Capital : | | |
| (Increase) / Decrease in Trade and Other Receivables | (11,763,508) | (9,092,004) |
| (Increase) / Decrease in Inventories | 13,966,670 | (41,667,104) |
| (Increase) / Decrease in Loans and Advances | (14,190,308) | (4,967,821) |
| Increase / (Decrease) in Trade Payables | (3,295,471) | 7,860,837 |
| Increase / (Decrease) in Other Current Liabilities | 17,245,440 | 4,492,137 |
| Cash Generated from Operations | 102,746,477 | 50,354,192 |
| Direct Taxes Paid | 21,900,919 | 16,115,855 |
| Net Cash (used in) / Flow From Operating Activities | 80,845,558 | 34,238,337 |
| B. Cash Flow from Investing Activities : | | |
| (Purchase) of Fixed Assets | (19,874,137) | (20,344,006) |
| Sale of Fixed Assets | 16,456,780 | 357,000 |
| Sale of Investments | 295,000 | - |
| Interest Received | 4,072,811 | 13,491 |
| Net Cash Flow from / (used in) Investing Activities | 950,454 | (19,973,515) |
| C. Cash Flow from Financing Activities : | | |
| Proceeds From Borrowings | 6,641,428 | 13,813,439 |
| Interest Expenses | (34,283,448) | (34,839,395) |
| Interim Dividend and Dividend Distribution Tax on it | - | (5,008,084) |
| Net Cash used in Financing Activities | (27,642,020) | (26,034,040) |
| Increase in Cash and Cash Equivalents (A+B+C) | 54,153,992 | (11,769,218) |
| Cash and Cash equivalents as at 31.03.2016 | 9,159,675 | 20,928,893 |
| Cash and Cash equivalents as at 31.03.2017 | 63,313,667 | 9,159,675 |

As per our report of even date.

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

FIRM'S REGISTRATION NO. : 000185N

FOR AND ON BEHALF OF BOARD OF DIRECTORS

C.A. M.K.MADAN

Proprietor
Membership No. 82214

PANKAJ JAIN

Whole Time Director and CFO
DIN : 00190414

DEVINDER KUMAR JAIN

Managing Director and CEO
DIN : 00191539

NARINDER KUMAR JAIN

Managing Director
DIN : 00195619

SUDHA SINGH

Company Secretary
Membership No. A33371

PLACE : New Delhi
DATED: 30th May, 2017

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies followed by the Company are as stated below :

A. GENERAL

The Financial Statements are prepared on Mercantile Basis of Accounting following the Historical Cost Convention and the Principle of going concern. All assets and liabilities have been classified as Current or Non-Current considering the operational cycle of 12 months.

B. FIXED ASSETS

Fixed Assets including capital work in progress are stated at cost (net of grants received) including Taxes, Duties, Freight and other incidental expenses incurred in relation to acquisition and installation of the same. Depreciation has been provided to the extent of depreciable amount on Written Down Value method on pro-rata basis (completed months of use). Depreciation is provided based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013.

C. INVENTORIES

- (1) The inventories other than work-in-progress have been valued at the lower of cost and the net realisable value, cost means weighted average cost determined on FIFO basis.
- (2) The Company is engaged in the manufacturing and trading of various products. The cost of conversion has been worked out for all the products on the basis of weighted average cost derived by preparing the manufacturing account wherein 50% of the fixed production overheads are allocated to the units of production having regard to capacity utilisation which is reviewed after three years and accordingly allocation of overheads is made. For trading goods, cost means direct cost incurred to bring the inventory at intended place.
- (3) The net realisable value in respect of each category of products has been determined on the basis of list price less the necessary estimated cost to make the sale.
- (4) Work-in-progress is valued at direct cost plus cost of conversion (weighted average cost). The indirect expenses have been allocated on the proportionate basis of raw material lying in work-in-progress to total raw material consumed.
- (5) In the case of Synthetic Panel Sets the net realisable value of synthetic balls is taken and from the NRV, the cost of conversion of panel sets to balls is reduced therefrom to arrive at the cost.
- (6) The net realisable value of finished goods in respect of export surplus balls has been determined consistently as under -
 - a) Stock lying for less than two years List price.
 - b) Stock lying for more than two years but less than five years List price less 25%.
 - c) Stock lying for more than five years List price less 40%.

D. RETIREMENT BENEFITS

- a) Defined Contribution Plans
Contributions paid / payable to defined contribution plans comprising of provident fund and pension fund are charged on accrual basis.
- b) Defined Benefit Plan
Gratuity for employees who have completed two years of service other than Directors in the whole time employment of the Company below 60 years of age is fully covered under the Group Gratuity scheme of Life Insurance Corporation of India. The amount is paid to the trust / LIC has been charged to Statement of Profit & Loss. In respect of Directors, gratuity is provided during the year on actuarial valuation basis.
- c) Other Long term employee benefits
Other long term employee benefits comprise of leave encashment is provided for based on the actuarial valuation carried out in accordance with revised AS 15 as at the end of the year.

E. FOREIGN EXCHANGE TRANSACTIONS

Transactions in Foreign Currency are recorded at the exchange rate as on the date of transaction. For all foreign currency liabilities and monetary assets are stated at the exchange rate prevailing as at the date of Balance Sheet or at the contracted rate and the difference taken to Statement of Profit & Loss as exchange fluctuation loss or gain except in respect of liabilities, if any, for acquisition of fixed assets, in which case such exchange difference is adjusted in the carrying cost of the respective fixed assets.

F. INVESTMENT

Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair market value. Long Term Investments are valued at cost. Provision is made for diminution in value to recognise decline if any other than that of temporary nature.

G. REVENUE / EXPENDITURE

The Company is following mercantile system of accounting but certain items, i.e., over due Bank Interest on export and domestic sales realisation, insurance claims and interest in respect of import under usance LC other than Buyer's Credit are accounted for on actual / receipt basis.

H. EXPORT SALES

Export Sales are accounted for on the basis of date of shipment irrespective of the date of invoice as per Impex Policy.

I. BORROWING COST

Borrowing costs that are attributable to acquisition / construction of qualifying assets within the meaning of AS-16 issued by The Institute of Chartered Accountants of India are capitalised as a part of total cost of such assets. All other borrowing costs are charged to revenue. During the year ₹ nil (previous year ₹ nil) has been capitalised



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | | AS AT 31ST MARCH, 2017 | | AS AT 31ST MARCH, 2016 |
|---|--|---------------------------|----------------------|---------------------------|
| 2. SHARE CAPITAL | | | | |
| AUTHORISED | No. of Shares | | No. of Shares | |
| 10,000,000 Equity Shares of ₹ 10 each | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| ISSUED, SUBSCRIBED AND PAID UP | | | | |
| 41,61,000 Equity Shares of ₹ 10 each | | 41,610,000 | | 41,610,000 |
| 2.1 Equity Shares of ₹ 10 each | | | | |
| At beginning of the year | 4,161,000 | 41,610,000 | 4,161,000 | 41,610,000 |
| Shares allotted during the year | | - | | - |
| | | <u>41,610,000</u> | | <u>41,610,000</u> |
| 2.2 Shareholder holding more than 5% Shares in the company : | | | | |
| Name of Shareholder | | % | | % |
| Navendu Investment Co. Pvt. Ltd. | 1,447,000 | 34.78 | 1,447,000 | 34.78 |
| Pankaj Jain | 233,500 | 5.61 | 233,500 | 5.61 |
| 3. RESERVES & SURPLUS | | | | |
| A. Securities Premium Reserve | | | | |
| Opening Balance | | 31,230,000 | | 31,230,000 |
| Addition during the period | | - | | - |
| Closing Balance | Total (A) | <u>31,230,000</u> | | <u>31,230,000</u> |
| B. Other Reserves | | | | |
| General Reserve | | | | |
| Opening Balance | | 112,516,664 | | 112,516,664 |
| Addition during the period | | - | | - |
| Closing Balance | Total (B) | <u>112,516,664</u> | | <u>112,516,664</u> |
| C. Surplus in Statement of Profit & Loss | | | | |
| Opening Balance | | 63,299,444 | | 34,812,149 |
| Add : Transfer from Statement of Profit & Loss | | 54,811,543 | | 33,495,379 |
| Less : Interim Dividend | | - | | 4,161,000 |
| Corporate Dividend Tax | | - | | 847,084 |
| Closing Balance | Total (C) | <u>118,110,987</u> | | <u>63,299,444</u> |
| | Total (A+B+C) | <u>261,857,651</u> | | <u>207,046,108</u> |
| 4. LONG TERM BORROWINGS | | | | |
| a) Term Loan (Secured) | | | | |
| From NBFC (against security of vehicle) | | - | | 976,345 |
| b) From Related Parties (Unsecured) | | | | |
| (i) Companies | | 40,000,000 | | 40,000,000 |
| (ii) Directors | | 100,000,000 | | 100,000,000 |
| | | <u>140,000,000</u> | | <u>140,976,345</u> |
| 4.1 | Out of the total Unsecured Borrowings from related parties aggregating ₹ 227,395,425 (previous year ₹ 219,777,652), a sum of ₹ 140,000,000 (previous year ₹ 140,000,000) has been classified as long term borrowing (s) as per stipulation of the bank for availing credit limits. The balance amount has been considered short term borrowing(s). | | | |
| 5. OTHER LONG TERM LIABILITIES | | | | |
| Security Deposits from Customers | | 6,278,000 | | 5,783,000 |
| | | <u>6,278,000</u> | | <u>5,783,000</u> |
| 5.1 | It is considered that security deposits will not be paid to customers within 12 months from the Balance Sheet date. | | | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|---|---------------------------|---------------------------|
| 6. LONG TERM PROVISIONS | | |
| Gratuity | 3,437,723 | 2,999,640 |
| Leave Encashment | 3,082,430 | 2,688,835 |
| | <u>6,520,153</u> | <u>5,688,475</u> |
| 7. SHORT TERM BORROWINGS | | |
| a) Loan Repayable on Demand (Secured) | | |
| Working Capital Loans From Bank | | |
| (i) Rupee Loans | 112,448,880 | 110,239,597 |
| (ii) Foreign Currency Loans | 75,592,106 | 69,435,694 |
| b) From Related Parties (Unsecured) | | |
| (Refer note no.4.1) | | |
| (i) Companies | 27,159,421 | 24,546,421 |
| (ii) Directors | 60,236,004 | 55,231,231 |
| | <u>275,436,411</u> | <u>259,452,943</u> |
| 7.1 Working Capital Loans are secured against hypothecation of all moveable properties including plant & equipments, stocks of raw materials, stores, semi-finished goods, manufactured goods, stock in trade and all book debts, bills and claims receivables. The loans from banks are collaterally secured against equitable mortgage of factory land/building & guaranteed by all Executive Directors. | | |
| 8. TRADE PAYABLES | | |
| Micro, Small and Medium Enterprises | 8,419,448 | 10,490,667 |
| Others | 43,828,319 | 45,052,571 |
| | <u>52,247,767</u> | <u>55,543,238</u> |
| 8.1 The above information regarding micro, small and medium enterprises have been determined to the extent such parties are identified on the basis of information available with the Company, which has been relied upon by the Auditors. | | |
| 9. OTHER CURRENT LIABILITIES | | |
| For Expenses : | | |
| Salary, Wages & Bonus | 8,973,865 | 8,705,160 |
| Sales Tax / VAT | 4,703,643 | 3,729,902 |
| Provident Fund & Pension Fund | 1,144,883 | 1,087,665 |
| Income Tax Deducted At Source | 3,360,438 | 3,796,724 |
| Other Statutory Dues | 781,963 | 943,479 |
| Interest Accrued But Not Due | 506,203 | 256,101 |
| Other Liabilities (Refer note no.9.1) | 39,849,304 | 36,765,036 |
| Current Maturity of Secured Long Term Debt | 976,345 | 1,341,561 |
| | <u>60,296,644</u> | <u>56,625,628</u> |
| 9.1 Other Liabilities include ₹ 34,202,009 (previous year ₹ 31,339,489) towards Interest Payable on unsecured short and long term borrowings. | | |
| 10. SHORT TERM PROVISIONS | | |
| a) Provision for Employee Benefits | | |
| Gratuity | 2,053,585 | 2,053,344 |
| Leave Encashment | 1,573,952 | 1,395,977 |
| b) Others | | |
| Income Tax | 40,065,101 | 36,637,378 |
| Excise Duty on Closing Stock of finished goods | 1,557,845 | 1,281,733 |
| | <u>45,250,483</u> | <u>41,368,432</u> |
| 10.1 Provision for excise duty has been made on closing stock of finished goods lying in the store for sale. No provision has been created in respect of finished goods meant for export, job work, transferred to branches and lying in finishing store pending inspection and packing. | | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

11. FIXED ASSETS

(Amount in ₹)

| SR. | DESCRIPTION | GROSS BLOCK OF ASSETS (AT COST) | | | ACCUMULATED DEPRECIATION | | | NET BLOCK | | |
|------|---|---------------------------------|------------|-----------|-------------------------------|-------------------------------|---------------------|-----------------------|-------------------------------|-------------------------------|
| NO. | | BALANCE AS AT 1ST APRIL, 2016 | ADDITIONS | DISPOSAL | BALANCE AS AT 31ST MARCH 2017 | BALANCE AS AT 1ST APRIL, 2016 | CHARGE FOR THE YEAR | DEDUCTION/ADJUSTMENTS | BALANCE AS AT 31ST MARCH 2017 | BALANCE AS AT 31ST MARCH 2016 |
| I. | Tangible Assets | | | | | | | | | |
| 1. | Freehold Land (Refer foot note 11.2) | 324,756 | | | 324,756 | | 456,262 | | 324,756 | 324,756 |
| 2. | Buildings - Factory | 30,189,664 | | | 30,189,664 | 25,224,456 | 1,261,784 | | 4,508,946 | 4,965,208 |
| 3. | Buildings - Other than Factory | 25,914,787 | 5,501,171 | | 31,415,958 | 7,134,951 | | | 8,396,735 | 18,779,836 |
| 4. | Temporary Shed | 1,016,064 | 139,105 | | 1,155,169 | 734,622 | 214,366 | | 948,988 | 281,442 |
| 5. | Plant and Equipments (Refer foot note 11.1) | 113,403,613 | 4,986,333 | 406,202 | 117,983,744 | 99,160,397 | 2,682,138 | 403,757 | 101,438,778 | 14,243,216 |
| 6. | Laboratory Equipment | 4,893,605 | | | 4,893,605 | 4,160,786 | 163,266 | | 4,324,052 | 569,553 |
| 7. | Electric Machinery | 10,535,701 | 1,998,210 | 566 | 12,533,345 | 9,496,802 | 417,052 | 566 | 9,913,288 | 1,038,899 |
| 9. | Office Equipments | 5,607,218 | 560,956 | 27,810 | 6,140,364 | 4,593,610 | 507,541 | 25,737 | 5,075,414 | 1,013,608 |
| 8. | Computer | 4,477,925 | 526,550 | 19,950 | 4,984,525 | 3,984,164 | 410,629 | 19,933 | 4,374,860 | 493,761 |
| 10. | Furniture and Fixtures | 7,661,201 | 699,506 | | 8,360,707 | 7,164,401 | 218,450 | | 7,382,851 | 496,800 |
| 11. | Vehicles | 21,186,576 | 5,273,473 | 1,828,170 | 24,631,879 | 13,448,694 | 3,401,649 | 1,737,692 | 15,112,651 | 7,737,882 |
| | | 225,211,110 | 19,685,304 | 2,282,698 | 242,613,716 | 175,102,883 | 9,733,137 | 2,187,685 | 182,648,335 | 50,108,227 |
| II. | Intangible Assets | | | | | | | | | |
| 1. | Computer Software (Refer foot note 11.3) | 898,413 | 49,000 | | 947,413 | 445,530 | 290,435 | - | 735,965 | 452,883 |
| | Total | 226,109,523 | 19,734,304 | 2,282,698 | 243,561,129 | 175,548,413 | 10,023,572 | 2,187,685 | 183,384,300 | 50,561,110 |
| | Previous Year | 207,567,680 | 20,547,961 | 2,006,118 | 226,109,523 | 167,900,918 | 9,391,135 | 1,743,640 | 175,548,413 | |
| III. | Capital Work in Progress | 48,000 | 187,833 | 48,000 | 187,833 | | | | 187,833 | 48,000 |

11.1 The Company has taken certain plant & equipments on lease from a company under the same management and this machinery as per technical opinion obtained by the company are of immovable nature and permanently attached to the earth.

The Company's future lease rentals under the operating lease arrangements as at the year end are as under :

| | 31.03.2017 | 31.03.2016 |
|--|------------|------------|
| Future Lease Rentals | ₹ | ₹ |
| Within 1 year | 1,140,000 | 1,140,000 |
| Over 1 year but less than 5 years | 1,140,000 | 1,140,000 |
| Amount Charged to Statement of Profit & Loss (as part of rent) | 1,140,000 | 1,125,000 |

The lease term contains an option given to Company to renew the lease or purchase the equipments.

11.2 The possession of land, belonging to the company, bearing Khassra No.420, total area measuring 1 bigha, 19 biswas and 3 biswansi situated at Village Gurgaon, is in dispute and company has filed a suit for getting possession of the same.

11.3 Computer Software is considered as part of Computers and amortised accordingly on WDV basis according to the rates applicable to Computers as prescribed in Schedule II of the Companies Act, 2013.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|---|---------------------------|---------------------------|
| 12. NON-CURRENT INVESTMENT | | |
| <u>Government and other securities Unquoted</u> | | |
| 6 years National Savings Certificate (Non-Trade) | 5,000 | 5,000 |
| | <u>5,000</u> | <u>5,000</u> |
| 12.1 The National Saving Certificate of ₹ 5,000 shown as investment is in the name of a Director of the Company and the same is pledged with the Sales Tax Authorities, Mumbai. | | |
| 13. DEFERRED TAX ASSET / (LIABILITY) | | |
| (a) <u>Deferred Tax Assets</u> | | |
| Related to other timing differences | 3,624,529 | 3,095,987 |
| (b) <u>Deferred Tax Liability</u> | | |
| Related to fiscal allowance on fixed assets | - | 17,523 |
| | <u>3,624,529</u> | <u>3,078,464</u> |
| 14. LONG TERM LOANS & ADVANCES | | |
| Advance for Immovable Properties | 12,624,129 | 12,624,129 |
| Advance to Supplier | 200,000 | - |
| Security Deposits | 3,732,066 | 1,668,996 |
| | <u>16,556,195</u> | <u>14,293,125</u> |
| Less : Provision for Doubtful Advances | <u>12,824,129</u> | <u>12,624,129</u> |
| | <u>3,732,066</u> | <u>1,668,996</u> |
| 14.1 Long Term Loans & Advances include advance aggregating ₹ 12,624,129 given to a Builder / Developer Company in earlier years for Immovable Properties. The Builder / Developer Company to whom the amount was advanced, has been acknowledging the advance and has also been assuring to transfer suitable properties of equal value and get the documents of title executed in favour of company. However till date, the Builder / Developer Company has neither transferred any property and / or executed title deed(s) in favour of company nor repaid any amount in spite of the assurances given from time to time . As a matter of abundant precaution the amount has already been fully provided in the year ended 31.03.2013. | | |
| 15. OTHER NON-CURRENT ASSETS | | |
| (a) <u>Trade Receivables</u> | 5,860,721 | 5,252,800 |
| Less : Provision for doubtful debts | <u>5,860,721</u> | <u>5,252,800</u> |
| (b) <u>Inventories : (Refer Note no. 15.1)</u> | | |
| (i) <u>Raw Material</u> | 125,631 | 138,658 |
| (ii) <u>Finished Goods</u> | 1,303,060 | 381,204 |
| (iii) <u>Stock-in-Trade</u> | 924,831 | 882,177 |
| (iv) <u>Stores</u> | <u>52,655</u> | <u>55,707</u> |
| (c) <u>Loans & Advances</u> | <u>2,406,177</u> | <u>1,457,746</u> |
| | <u>1,924,032</u> | <u>365,888</u> |
| | <u>4,330,209</u> | <u>1,823,634</u> |
| 15.1 Refer note no.1(C) of Significant Accounting Policies, regarding valuation of inventories. | | |
| 15.2 All inventories shown above are non-moving and valued at scrap value except Finished Goods which are valued at 50% of Net Realisable value as per policy of the company. | | |
| 16. CURRENT INVESTMENT | | |
| <u>In Mutual Fund - Unquoted</u> | | |
| (11,319.211)11,319.211units UTI Master Share | - | 290,000 |
| Unit Scheme (Growth) of ₹ 10 each | | |
| <u>Other Investments (Non Trade)</u> | | |
| In Equity Shares-Quoted, fully paid-up | | |
| (5,000) 5,000 Antarctica Ltd. of ₹ 1 each | - | 5,000 |
| Less:Prov.for Diminution in value of Investment | - | 1,250 |
| | <u>-</u> | <u>3,750</u> |
| | <u>-</u> | <u>293,750</u> |
| Aggregate Cost of Quoted Investments | - | 5,000 |
| Aggregate Market Value of Quoted Investments | - | 3,750 |



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|--|---------------------------|---------------------------|
| 17. INVENTORIES | | |
| (As taken, valued and certified by the Management) | | |
| (a) Raw Material | 35,358,718 | 28,401,946 |
| (b) Raw Material in Transit | 3,044,832 | 38,403,550 |
| (c) Work in Progress | 32,311,867 | 354,869 |
| (d) Finished Goods | 103,296,000 | 24,954,218 |
| (e) Stock-in-Trade | 268,116,366 | 113,138,278 |
| (f) Stores | 15,330,929 | 294,154,544 |
| | 457,458,712 | 11,369,958 |
| | | 4,72,373,813 |
| 17.1 Refer note no.1(C) of Significant Accounting Policies, regarding valuation of inventories. | | |
| 17.2 Goods In Transit of ₹ Nil (previous year ₹ 8,175,905) and ₹ Nil (previous year ₹ 4,163) are included in the Inventories of Stock-in-Trade and Stores respectively. | | |
| 17.3 During the year the defective items of health and fitness equipment and spares of ₹ 9.25 lacs (previous year ₹ 8.82 lacs) included in stock in trade has been valued at scrap value and inventory of traded goods amounting to ₹ 139.50 lacs (previous year ₹ 57.07 lacs) included above is slow moving and valued at estimated realisable value as certified by the management. | | |
| 18. TRADE RECEIVABLES | | |
| (Unsecured and considered good) | | |
| More than six months | 3,803,563 | 4,530,180 |
| Others | 199,666,850 | 187,176,725 |
| | 203,470,413 | 191,706,905 |
| 19. CASH & CASH EQUIVALENTS | | |
| Balances with Banks | 62,486,907 | 7,676,648 |
| Cash on hand | 826,760 | 1,483,027 |
| | 63,313,667 | 9,159,675 |
| 20. SHORT TERM LOANS AND ADVANCES | | |
| (Unsecured and considered good) | | |
| Advances recoverable in cash or in kind or for value to be received : | | |
| Output Tax Receivable | - | 198,929 |
| Others Considered good (Refer Note no. 20.1) | 42,829,861 | 27,057,228 |
| Security Deposits | - | 946,970 |
| Advance Tax Paid | 32,182,797 | 53,339,634 |
| | 75,012,658 | 81,542,761 |
| 20.1 Advances recoverable include ₹ 60,000 (previous year ₹ 80,000) recoverable from directors on account of TDS and Advance Against LC ₹ 36,850,610 (previous year ₹ 20,687,103) and Advance against Bonus ₹ 1,592,570 (previous year ₹ 1,652,181). | | |
| 21. OTHER CURRENT ASSETS | | |
| Duty Drawback Claim Refundable | 1,216,213 | 782,061 |
| Product Focus Scheme Receivable | 1,095,000 | 1,050,000 |
| Land Compensation Claim Receivable (Refer Note no. 21.2) | 15,873,980 | - |
| | 18,185,193 | 1,832,061 |
| 21.1 In the opinion of the board, the current assets, loans and advances (Refer Note no.20) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. | | |
| 21.2 Amount of Land Compensation Claim Receivable is on account of enhanced compensation awarded by the court in respect of about 325 sq. yards of factory land acquired by PWD (B&R) Gurgaon. | | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | FOR THE YEAR ENDED 31ST MARCH, 2017 | FOR THE YEAR ENDED 31ST MARCH, 2016 |
|---|---|---|
| 22. REVENUE FROM OPERATIONS | | |
| Sale of Products gross of Excise Duty (including trading items & export) | 1,353,525,557 | 1,263,466,640 |
| Less : Excise Duty Paid | <u>9,765,792</u> | <u>9,704,977</u> |
| Sale of Products net of Excise Duty | 1,343,759,765 | 1,253,761,663 |
| Sale of Services | 582,109 | 452,410 |
| Other Operating Income (Refer note no. 22.3) | <u>11,234,311</u> | <u>5,101,462</u> |
| | <u>1,355,576,185</u> | <u>1,259,315,535</u> |
| 22.1 Products | | |
| i) Sports Balls & Latex Bladders for Sports Balls (Manufacturing) | 483,418,105 | 475,018,654 |
| ii) Fitness Equipments, T.T., Cricket & other Sports Goods (Trading) | <u>860,341,660</u> | <u>778,743,009</u> |
| | <u>1,343,759,765</u> | <u>1,253,761,663</u> |
| 22.2 EARNINGS IN FOREIGN EXCHANGE | | |
| FOB value of Exports | 25,992,835 | 24,318,509 |
| 22.3 Other operating income includes the followings : | | |
| i) Duty Drawback | 2,115,734 | 1,947,948 |
| ii) Incentive under Product Focus Scheme Value of licence granted by DGFT subsequent to the date of Balance Sheet, on account of exports made. Income being in the nature of Export Incentive has been accounted for in terms of AS-9 issued by ICAI. | 1,095,000 | 1,050,000 |
| iii) Royalty Income (For right to use Cosco Trade Mark) | 3,222,972 | - |
| iv) Provision written back for Doubtful Debts | 1,353,159 | 327,946 |
| v) Provision written back for Excise Duty on Closing of manufactured goods | 1,281,733 | 1,008,649 |
| 23. OTHER INCOME | | |
| Interest received | 4,072,811 | 13,491 |
| Other Non-operating Income | <u>8,027,974</u> | <u>49,392</u> |
| | <u>12,100,785</u> | <u>62,883</u> |
| 23.1 Interest Received includes ₹ 4,055,102 (previous year ₹ Nil) on account of Interest on Income Tax Refund. | | |
| 23.2 Other Non-Operating income includes ₹ 7,201,423 (previous year ₹ Nil) towards gain in Foreign Exchange Difference and ₹ 807,144 (previous year ₹ Nil) towards Profit on Sale of Investment in Mutual Fund. | | |
| 24. RAW MATERIAL CONSUMED (Refer note no.32) | | |
| Rubber | 48,171,150 | 50,648,000 |
| Cloth | 37,842,512 | 43,589,124 |
| Ball Covering Materials | 33,621,501 | 28,978,808 |
| Chemicals & Solvent | 46,433,657 | 46,457,040 |
| Nylon Yarn | 4,243,531 | 3,888,441 |
| H.T.Labels | 6,338,508 | 7,275,930 |
| Accessories, Fevicol and other materials | <u>23,714,861</u> | <u>18,337,965</u> |
| | <u>200,365,720</u> | <u>199,175,308</u> |
| 25. PURCHASE OF STOCK-IN-TRADE | | |
| Health Equipments & Fitness Accessories | 349,999,629 | 303,604,912 |
| T.T. & Cricket Equipments & other Sports Goods | <u>290,081,299</u> | <u>333,407,178</u> |
| | <u>640,080,928</u> | <u>637,012,090</u> |
| 26. CHANGES IN INVENTORIES | | |
| OPENING STOCKS | | |
| Finished Goods | 113,519,482 | 91,566,675 |
| Stock-in-Trade | 295,036,721 | 259,920,742 |
| Work in Progress | <u>24,954,217</u> | <u>32,905,981</u> |
| | 433,510,420 | 384,393,398 |
| CLOSING STOCKS | | |
| Finished Goods | 104,599,060 | 113,519,482 |
| Stock-in-Trade | 269,041,197 | 295,036,721 |
| Work in Progress | <u>32,311,867</u> | <u>24,954,217</u> |
| | <u>405,952,124</u> | <u>433,510,420</u> |
| | <u>27,558,296</u> | <u>(49,117,022)</u> |
| 26.1 Details of stock in trade acquired for trading : | | |
| | Opening Stock | Closing Stock |
| Health Equipments & Fitness Accessories | 137,410,112 | 113,495,518 |
| T.T & Cricket Equipments & other Sports Goods | <u>157,626,609</u> | <u>146,425,224</u> |
| | <u>295,036,721</u> | <u>259,920,742</u> |
| | Opening Stock | Closing Stock |
| | 137,410,112 | 137,410,112 |
| | 157,626,609 | 157,626,609 |
| | <u>295,036,721</u> | <u>295,036,721</u> |



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | FOR THE YEAR ENDED 31ST MARCH, 2017 | FOR THE YEAR ENDED 31ST MARCH, 2016 |
|---|---|---|
| 27. EMPLOYEE BENEFITS EXPENSES | | |
| Salaries and Wages including bonus | 112,726,326 | 96,500,164 |
| Contribution to Provident & Other Funds | 12,007,155 | 10,163,779 |
| Gratuity | 3,781,943 | 3,371,684 |
| Staff Welfare | 7,494,235 | 6,933,305 |
| | 136,009,659 | 116,968,932 |

27.1 Staff Welfare includes ₹ 587,206 medical expenses reimbursed to Directors (previous year ₹ 575,478).

27.2 DIRECTORS' REMUNERATION

| | | |
|---|-------------------|-------------------|
| Salary | 13,320,000 | 11,400,000 |
| House Rent Allowance | 6,660,000 | 5,700,000 |
| Contribution to Provident & Other Funds | 129,600 | 129,600 |
| Gratuity | 438,324 | 197,674 |
| | 20,547,924 | 17,427,274 |

27.3 EMPLOYEE BENEFITS

As per Accounting Standard AS-15 (Revised), the disclosures of Employee benefits as defined in the Accounting Standard are given below:-

Defined Contribution Plans

The Company makes contribution towards provident fund and pension fund. These funds are administered by Government of India. Under the schemes; the Company is required to contribute a specified percentage of salary to the retirement benefit schemes to fund the benefit. Contribution to Defined Contribution Plan, recognised as expense for the year are as under:-

| | YEAR ENDED 31ST MARCH, 2017 | YEAR ENDED 31ST MARCH, 2016 |
|---|--------------------------------|--------------------------------|
| Employer's contribution to provident fund | 2,889,805 | 2,453,535 |
| Employer's contribution to pension fund | 5,270,397 | 4,436,887 |

Defined Benefit Plan

Gratuity

The Company provides the gratuity benefit to its employees through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India which administers the plan and determines the contributions required to be paid by the trust. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

| | Gratuity (Funded) | |
|--|--------------------------|-------------|
| I. Change in the benefit obligation | | |
| Defined benefit obligation at beginning of the year | 20,962,515 | 17,162,504 |
| Interest cost | 1,677,001 | 1,373,000 |
| Current service cost | 1,604,744 | 1,343,251 |
| Benefits paid | 1,049,770 | 943,730 |
| Actuarial (Gain) / Loss on obligations | 2,012,124 | 2,027,490 |
| Defined benefit obligation at the end of the year | 25,206,614 | 20,962,515 |
| II. Change in plan assets | | |
| Fair value of plan assets at the beginning of the year | 18,767,993 | 16,505,118 |
| Expected return on plan assets | 1,501,439 | 1,320,409 |
| Employer Contribution | 2,534,897 | 1,834,548 |
| Benefits paid | 1,049,770 | 943,730 |
| Actuarial (Gain) / Loss on plan assets | (10,487) | (51,648) |
| Fair value of plan assets at the year end | 21,765,046 | 18,767,993 |
| Actual return on plan assets | 1,511,926 | 1,372,057 |
| III. Reconciliation of fair value of assets and obligations | | |
| Fair value of plan assets at the end of the year | 21,765,046 | 18,767,993 |
| Present value of obligation at the end of the year | 25,206,614 | 20,962,515 |
| Funded Status | (3,441,568) | (2,194,522) |
| Net Asset / (Liability) | (3,441,568) | (2,194,522) |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | YEAR ENDED 31ST MARCH, 2017 | YEAR ENDED 31ST MARCH, 2016 |
|--|--|---|
| IV. Expenses recognised during the year | | |
| Current Service Cost | 1,604,744 | 1,343,251 |
| Interest Cost | 1,677,001 | 1,373,000 |
| Expected return on plan assets | 1,501,439 | 1,320,409 |
| Net actuarial (Gain) / Loss | 2,001,637 | 1,975,842 |
| Expenses charged to Statement of Profit & Loss | 3,781,943 | 3,371,684 |
| V. Actuarial Assumptions | | |
| Discount Rate | 7.36% p.a | 8% p.a |
| Salary Escalation | 6% p.a | 6% p.a |
| Expected return on plan assets | 8% p.a | 8% p.a |
| The management of funds is entrusted with Life Insurance Corporation of India. The detail of investments made by them are not available. | | |
| Leave Encashment | | |
| It is an unfunded defined benefit plan for which the obligation is recognised on actuarial valuation basis. A sum of ₹ 571,570 (previous year ₹ 313,363) has been provided and included in Salaries & Wages. | | |
| 27.4 | Bonus provision under The Payment of Bonus Act, 2016 for the year has been made on estimated basis and any adjustment on account of final liability will be made in the subsequent year. | |
| | FOR THE YEAR ENDED 31ST MARCH, 2017 | FOR THE YEAR ENDED 31ST MARCH, 2016 |
| 28. FINANCIAL COSTS | | |
| Interest : | | |
| On Long Term Borrowings | 15,480,658 | 15,600,000 |
| On Short Term Borrowings | 18,806,047 | 19,308,909 |
| Bank Charges | 3,013,025 | 2,878,471 |
| | <u>37,299,730</u> | <u>37,787,380</u> |
| 29. OTHER EXPENSES | | |
| Power & Fuel | 27,633,114 | 28,165,855 |
| Ball Stitching | 31,912,315 | 36,519,785 |
| Other Manufacturing Expenses | 21,706,129 | 19,370,761 |
| Stores Consumed | 28,563,397 | 34,358,729 |
| Repairs to Machineries | 6,998,636 | 6,333,924 |
| Central Excise Duty (Refer note no.29.3) | 10,782,005 | 10,438,863 |
| Repairs to Building | 1,221,304 | 1,310,843 |
| Repairs to Others | 5,023,281 | 4,368,812 |
| Rent | 7,569,436 | 6,216,268 |
| Rates & Taxes (excluding taxes on income) | 7,555,473 | 6,247,243 |
| Insurance | 2,029,593 | 1,794,120 |
| Travelling Expenses (Refer note no.29.1) | 8,784,790 | 8,237,308 |
| Auditor's Remuneration : | | |
| (including Service Tax & Education Cess) | | |
| For Audit | 366,360 | 364,110 |
| For Tax Representation | 151,140 | 151,140 |
| For Other Services | 74,175 | 70,930 |
| Reimbursement of expenses | <u>27,681</u> | <u>8,786</u> |
| Transportation, Shipping & Packing Charges | 23,733,753 | 24,677,456 |
| Commission, Discounts and Rebates | 30,606,243 | 29,615,200 |
| Provision for Doubtful Debts | 1,961,081 | 1,312,040 |
| Bad Debts written off | 220,583 | 115,391 |
| Miscellaneous Expenses (Refer note no. 29.4) | <u>39,070,185</u> | <u>39,018,544</u> |
| | <u>255,990,674</u> | <u>258,696,108</u> |

29.1 Travelling Expenses include Directors' Travelling ₹ 2,593,864 (previous year ₹ 2,752,347).



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | FOR THE YEAR ENDED 31ST MARCH, 2017 | FOR THE YEAR ENDED 31ST MARCH, 2016 | | |
|--|---|---|----|-------------|
| 29.2 <u>EXPENDITURE IN FOREIGN CURRENCY</u> | | | | |
| Travelling | 786,740 | 790,953 | | |
| Commission | - | 59,466 | | |
| Royalty | 2,390,868 | 3,834,856 | | |
| Subscription | 274,135 | 83,888 | | |
| Ball Testing fees | 125,306 | 788,597 | | |
| Interest & Swap Charges on Foreign Currency Loans | 1,796,924 | 1,079,167 | | |
| | <u>5,373,973</u> | <u>6,636,927</u> | | |
| 29.3 Includes ₹1,557,845 (previous year ₹ 1,281,733) towards Excise Duty On Closing Stock of Finished Goods and ₹ 9,114,816 (previous year ₹ 9,062,879) towards Excise Duty on branch transfer. | | | | |
| 29.4 The major items of Miscellaneous Expenses are as following: | | | | |
| Advertisement & Publicity | 2,325,636 | 3,139,929 | | |
| Freight & Octroi | 1,644,902 | 1,509,404 | | |
| Legal & Professional Fees | 7,037,865 | 5,499,434 | | |
| Postage & Telephone | 3,256,102 | 3,192,835 | | |
| Printing & Stationery | 1,494,820 | 1,133,959 | | |
| Royalty Expenses | 4,345,475 | 4,481,656 | | |
| Sales Promotion | 10,445,377 | 10,503,482 | | |
| 30. <u>EXCEPTIONAL ITEMS</u> | | | | |
| <u>Expenditure</u> | | | | |
| Expenses | - | - | | |
| Total (A) | <u>-</u> | <u>-</u> | | |
| <u>Income</u> | | | | |
| Profit on sale of Fixed Asset | 492,291 | 146,747 | | |
| Enhanced Compensation (Land Acquisition) | 15,871,780 | - | | |
| Total (B) | <u>16,364,071</u> | <u>146,747</u> | | |
| Total (A-B) | <u>(16,364,071)</u> | <u>(146,747)</u> | | |
| 31. <u>EARNING PER SHARE</u> | | | | |
| Net Profit After Tax | 54,811,543 | 33,495,379 | | |
| Weighted Average No. of Equity Share | 4,161,000 | 4,161,000 | | |
| Nominal Value of Equity Per Share | 10 | 10 | | |
| Basic Earning per Share | 13.17 | 8.05 | | |
| Diluted Earning per Share | 13.17 | 8.05 | | |
| 32. The value of consumption of imported and indigenously obtained raw materials, stores and spares and the percentage of each to the total consumption : | | | | |
| | % | ₹ | % | ₹ |
| (i) Raw Materials | | | | |
| Imported | 8 | 16,944,861 | 5 | 9,941,514 |
| Indigenous | 92 | 183,420,859 | 95 | 189,233,794 |
| (ii) Stores & Spares | | | | |
| Imported | 1 | 334,961 | 1 | 734,606 |
| Indigenous | 99 | 52,701,540 | 99 | 58,128,903 |
| 33. <u>VALUE OF IMPORTS ON C.I.F. BASIS</u> | | | | |
| Raw Material | 19,155,998 | 11,344,307 | | |
| Stores Goods | 1,168 | 241,920 | | |
| Traded goods | 466,402,878 | 443,987,074 | | |
| Capital Goods | 845,556 | 163,185 | | |
| Research & Development | - | 27,468 | | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

34. Segment Information:

The company has identified two segments viz. Own Manufactured Products and Traded Goods. Segments have been identified and reported taking into account nature of products and services, the differing risk and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting:

- Expenses have been identified to a segment on the basis of sale of the respective segment to the total sale of the company. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(i) Primary Segment Information

(Amount in ₹)

| SR. NO. | PARTICULARS | Manufactured Products | | Trading Goods | | Unallocable | | Total | |
|---------|---|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|
| | | For The Year Ended on | | For The Year Ended on | | For The Year Ended on | | For The Year Ended on | |
| | | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 |
| 1 | Segment Revenue | | | | | | | | |
| | Sales | 483,418,105 | 475,018,655 | 860,341,660 | 778,743,009 | | | 1,343,759,765 | 1,253,761,664 |
| | Sale of Services | - | - | 582,109 | 452,410 | | | 582,109 | 452,410 |
| | Other Income | 6,921,743 | 4,870,317 | 1,107,754 | 277,286 | | | 8,029,497 | 5,147,603 |
| | | 490,339,848 | 479,888,972 | 862,031,523 | 779,472,705 | - | - | 1,352,371,371 | 1,259,361,677 |
| 2 | Segment Results | | | | | | | | |
| | Profit Before Interest & Tax | 31,239,813 | 42,858,105 | 51,102,708 | 44,377,022 | | | 82,342,521 | 87,235,127 |
| | Less : Interest Expense | 13,418,593 | 14,316,685 | 23,881,137 | 23,470,696 | | | 37,299,730 | 37,787,381 |
| | Add : Other Income / (expenses) | | | | | 15,305,600 | 16,741 | 15,305,600 | 16,741 |
| | Profit before exceptional and extraordinary items and Tax | 17,821,220 | 28,541,420 | 27,221,571 | 20,906,326 | 15,305,600 | 16,741 | 60,348,391 | 49,464,487 |
| | Less : Exceptional Items | | | | | (16,364,071) | (146,747) | (16,364,071) | (146,747) |
| | Profit Before Tax & Extraordinary Items | | | | | | | 76,712,462 | 49,611,234 |
| | Less : Extraordinary Items | | | | | | | - | - |
| | Profit Before Tax | | | | | | | 76,712,462 | 49,611,234 |
| | Less : Tax | | | | | | | | |
| | Current Tax | | | | | | | | |
| | Earlier Year Taxation | | | | | | | | |
| | Deferred Tax | | | | | 21,377,173 | 18,687,928 | 21,377,173 | 18,687,928 |
| | Net Profit After Tax | | | | | 1,069,811 | (1,841,038) | 1,069,811 | (1,841,038) |
| 3 | Other Information | | | | | (546,065) | (731,035) | (546,065) | (731,035) |
| A. | Segment Assets | 302,841,667 | 284,288,758 | 462,026,430 | 452,911,807 | 124,629,012 | 76,893,604 | 889,497,109 | 814,094,169 |
| B. | Segment Liabilities | 76,872,435 | 75,802,787 | 85,717,911 | 81,919,849 | 283,439,112 | 266,739,080 | 446,029,458 | 424,461,716 |
| | Capital Expenditure | 10,348,168 | 9,448,559 | 9,525,969 | 10,897,799 | | | 19,874,137 | 20,346,358 |
| | Depreciation | 5,743,036 | 5,602,363 | 4,280,536 | 3,788,772 | | | 10,023,572 | 9,391,135 |
| C. | Working Capital (A-B) | 225,969,232 | 208,486,971 | 376,308,519 | 370,991,958 | (158,810,100) | (189,845,476) | 443,467,651 | 389,632,453 |



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(ii) Secondary Segment Information

(Amount in ₹)

| S. No | PARTICULARS | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|-------|---------------------|---------------------------|---------------------------|
| 1 | Segment Revenue | | |
| | - Within India | 1,326,237,723 | 1,234,730,338 |
| | - Outside India | 26,133,648 | 24,631,339 |
| | Total Revenue | 1,352,371,371 | 1,259,361,677 |
| 2 | Segment Assets | | |
| | - Within India | 887,198,723 | 811,054,430 |
| | - Outside India | 2,298,386 | 3,039,739 |
| | Total Assets | 889,497,109 | 814,094,169 |
| 3 | Segment Liabilities | | |
| | - Within India | 446,029,458 | 424,461,716 |
| | - Outside India | - | - |
| | Total Liabilities | 446,029,458 | 424,461,716 |
| 4 | Capital Expenditure | | |
| | - Within India | 19,874,137 | 20,346,358 |
| | - Outside India | - | - |
| | Total Expenditure | 19,874,137 | 20,346,358 |

35. Related Party Disclosure

As per Accounting Standard 18 issued by the Institute of Chartered Accountants of India the disclosure of transactions with the related parties as defined in the Accounting Standard are given below :

(i) List of Parties with whom transactions entered during the year

Companies under the same Management

- 1 Cosco Polymer Industries (P) Ltd.
- 2 Vijay Vallabh Securities Ltd.
- 3 Cosco Polymer Lanka Pvt. Ltd.

Key Management Personnel

- | | | |
|---|---------------------|-----------------------------|
| 1 | Devinder Kumar Jain | Managing Director and CEO |
| 2 | Narinder Kumar Jain | Managing Director |
| 3 | Pankaj Jain | Whole Time Director and CFO |
| 4 | Manish Jain | Whole Time Director |
| 5 | Neeraj Jain | Whole Time Director |
| 6 | Arun Jain | Whole Time Director |

Relatives of Key Management Personnel

- | | | |
|---|---------------------|-----|
| 1 | Devinder Kumar Jain | HUF |
| 2 | Narinder Kumar Jain | HUF |
| 3 | Prabha Jain | |
| 4 | Veena Jain | |

(ii) Disclosure of transactions between the company and related parties and the status of outstanding balance as on 31st March, 2017 :

| | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|--|---------------------------|---------------------------|
| A Companies under the same Management | | |
| Loans Received | | |
| Cosco Polymer Industries (P) Ltd. | 3,000,000 | 4,400,000 |
| Loans Paid | | |
| Vijay Vallabh Securities Ltd. | 387,000 | 520,000 |
| Interest Paid | | |
| Cosco Polymer Industries (P) Ltd. | 3,906,986 | 3,479,180 |
| Vijay Vallabh Securities Ltd. | 1,910,642 | 1,937,824 |
| Loans Outstanding | | |
| Cosco Polymer Industries (P) Ltd. | 35,550,000 | 32,550,000 |
| Vijay Vallabh Securities Ltd. | 31,609,421 | 31,996,421 |
| Lease Rent Paid | | |
| Cosco Polymer Industries (P) Ltd. | 960,000 | 960,000 |
| Guarantee | | |
| Cosco Polymer Industries (P) Ltd. | 100,000 | 100,000 |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
(Amount in ₹)

| | AS AT 31ST MARCH, 2017 | AS AT 31ST MARCH, 2016 |
|--|---------------------------|---------------------------|
| B Key Management Personnel | | |
| <u>Loans Received</u> | | |
| Devinder Kumar Jain | 3,850,000 | 3,700,000 |
| Narinder Kumar Jain | 3,914,103 | 2,714,103 |
| Manish Jain | 2,600,000 | 3,725,000 |
| Pankaj Jain | 18,143,601 | 3,900,000 |
| Neeraj Jain | 2,500,000 | 3,600,000 |
| Arun Jain | 1,575,000 | 2,350,000 |
| <u>Loans Paid</u> | | |
| Darshan Kumar Jain | 18,470,227 | 100,000 |
| Devinder Kumar Jain | 200,000 | 1,275,000 |
| Narinder Kumar Jain | 5,014,103 | 2,389,103 |
| Manish Jain | 300,000 | 665,000 |
| Pankaj Jain | 968,601 | 550,000 |
| Neeraj Jain | 400,000 | 215,000 |
| Arun Jain | 2,225,000 | 3,520,000 |
| <u>Loans Outstanding</u> | | |
| Darshan Kumar Jain | - | 18,470,227 |
| Devinder Kumar Jain | 41,085,245 | 37,435,245 |
| Narinder Kumar Jain | 11,461,058 | 12,561,058 |
| Manish Jain | 27,279,504 | 24,979,504 |
| Pankaj Jain | 40,724,656 | 23,549,656 |
| Neeraj Jain | 26,834,965 | 24,734,965 |
| Arun Jain | 12,850,577 | 13,500,577 |
| <u>Interest Paid</u> | | |
| Darshan Kumar Jain | - | 2,227,772 |
| Devinder Kumar Jain | 4,488,695 | 4,075,721 |
| Narinder Kumar Jain | 1,380,741 | 1,295,838 |
| Manish Jain | 2,970,088 | 2,656,708 |
| Pankaj Jain | 4,552,607 | 2,487,270 |
| Neeraj Jain | 2,929,105 | 2,664,245 |
| Arun Jain | 1,458,538 | 1,530,089 |
| <u>Rent Paid</u> | | |
| Devinder Kumar Jain | 390,000 | 390,000 |
| Narinder Kumar Jain | 702,000 | 702,000 |
| <u>Remuneration</u> | | |
| Devinder Kumar Jain | 4,144,244 | 3,311,113 |
| Narinder Kumar Jain | 3,997,784 | 3,210,430 |
| Manish Jain | 3,286,476 | 2,791,603 |
| Pankaj Jain | 3,292,930 | 2,946,407 |
| Neeraj Jain | 3,208,560 | 2,783,531 |
| Arun Jain | 3,441,630 | 3,027,809 |
| C Key Management Personnel's Relatives | | |
| <u>Rent Paid</u> | | |
| Prabha Jain | 546,000 | 546,000 |
| Veena Jain | 702,000 | 702,000 |
| 36. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF | | |
| (i) Claims against the company not acknowledged as debt : | | |
| Cases against the Company in Labour Court & | | |
| High Court by ex-employees | 5,346,158 | 5,196,158 |



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| | ASAT 31ST MARCH, 2017 | ASAT 31ST MARCH, 2016 |
|-----------------------------------|--------------------------|--------------------------|
| (ii) Guarantee | | |
| (a) Outstanding Letters of Credit | 20,809,940 | 19,842,477 |
| (b) To Sales Tax Authorities : | | |
| for group concerns | 100,000 | 100,000 |
| for others | 527,303 | 527,303 |
| (c) To State Electricity Board : | | |
| for others | Not Ascertainable | Not Ascertainable |
| (d) To Others | 9,755,637 | 9,755,000 |

37. No impairment loss is recognised as on 31.03.2017 since the present value of estimated future cash flows over a period of five years exceeds the carrying value of assets of the Company's cash generating units.

38.1 Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. Accordingly, "Consolidated Financial Statements" as per Accounting Standard 21 issued by the Institute of Chartered Accountants of India, have not been prepared.

38.2 The Equity Shares held by the Company in Cosco Polymer Lanka (Private) Ltd. (erstwhile Subsidiary of the Company in Sri Lanka) stand vested in the Secretary to the Treasury of the Government of Sri Lanka under the Revival of Underperforming Enterprises or Underutilised Assets Act No.43 of 2011 (of Republic of Sri Lanka) as per disclosures made in the earlier year Accounts. Competent Authority appointed under the said Act is controlling, administering and managing such Enterprises / Units / Assets. The Act (of Sri Lanka), provides for payment of compensation and accordingly claim was filed in Sri Lanka with the Compensation Tribunal constituted under the said Act. The Compensation Tribunal vide its letter Ref: Com T/01/27 dated 08.12.2015, has allowed compensation of LKR 48,000,000 (Equivalent INR 20,465,760) and after deducting LKR 1,674,361.66 due for Board of Investment (BOI) of Sri Lanka as at the date of vesting, the net compensation payable is LKR 46,325,638.34 (Equivalent INR 19,751,862). The amount is yet to be released and the same shall be credited to Liquidator, since Cosco Polymer Lanka (Private) Ltd. has been ordered to be wound up by the Hon'ble High Court of the Western Province, Colombo. The management does not expect any net realisable value of its investment in the erstwhile subsidiary. However realisation, if any, shall be accounted for in the year of actual receipt.

39. During the year, the Specified Bank Notes (SBN) or other denomination note as defined in the MCA notification G.S.R 308(E) dated 31 March, 2017 on the details of SBN held and transacted during the period from 8 November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes is given below :

| Particulars | SBNs | Other Denomination Notes | Total |
|--|-----------|--------------------------|-----------|
| Closing Cash in Hand as on 8th November, 2016 | 4,864,000 | 1,010,960 | 5,874,960 |
| (+) Permitted receipts | - | 8,540,522 | 8,540,522 |
| (-) Permitted payments | - | 5,669,941 | 5,669,941 |
| (-) Amount deposited in Banks | 4,864,000 | 2,950,000 | 7,814,000 |
| Closing Cash in Hand as on 30th December, 2016 | - | 931,541 | 931,541 |

Exp.: For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the Notification of the Government of India, in the Ministry of Finance, Department of Economics Affairs number S.O. 3407(E), dated the 8th November, 2016.

40. The previous year figures have been regrouped / rearranged, wherever considered necessary to make them comparable with those of current year figure and also figures have been rounded off to nearest rupee.

As per our report of even date.

FOR MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF BOARD OF DIRECTORS

FIRM'S REGISTRATION NO. : 000185N

C.A. M.K.MADAN

Proprietor

Membership No. 82214

PANKAJ JAIN

Whole Time Director and CFO

DIN : 00190414

DEVINDER KUMAR JAIN

Managing Director and CEO

DIN : 00191539

NARINDER KUMAR JAIN

Managing Director

DIN : 00195619

SUDHA SINGH

Company Secretary

Membership No. A33371

PLACE : New Delhi

DATED: 30th May, 2017



COSCO (INDIA) LIMITED

(CIN : L25199DL1980PLC010173)

Registered Office : 2/8, Roop Nagar, Delhi-110007

Website : www.cosco.in; Email : mail@cosco.in; Tel. : 91-11-23843000; Fax : 91-11-23846000

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

PROXY FORM (FORM NO. MGT-11)

| | |
|-----------------------------|--|
| Name of the Member(s) | |
| Registered Address: | |
| Folio No./ DP ID- Client ID | |
| E-mail-ID: | |
| No. of Shares held | |

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

| | | |
|--|--|----------------|
| 1. Name | 2. Name | 3. Name |
| Address: | Address: | Address: |
| Email ID | Email ID | Email ID |
| Signature..... | Signature..... | Signature..... |
| or failing him/her person named in Col. 2/3 | or failing him/her person named in Col. 3 | |

As my/our proxy to attend and vote (on a poll) for me/us and my/ our behalf at the 38th Annual General Meeting of the Company, to be held on Friday, the 29th day of September, 2017 at 10.30 AM at Amitabh, E-23 , Bungalow Road, Kamla Nagar, Delhi-110007 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

| Item No. | Description of Resolutions | No. of Equity shares for which votes cast | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|--------------------|---|---|-------------------------------------|--|
| Ordinary Business: | | | | |
| 1 | To adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 and the Reports of the Directors' and the Auditors' thereon. | | | |
| 2. | To re-appoint Mr. Neeraj Jain (DIN: 00190592) as Director, who retires by rotation. | | | |
| 3. | Appointment of M/s. V.P. Jain & Associates, Chartered Accountants as Statutory Auditors of the Company for a period of five consecutive years and fix their Remuneration. | | | |



| Special Business : | | | | |
|--------------------|---|--|--|--|
| 4 | Re-appointment of Mr. Arun Jain as Whole Time Director of the Company | | | |
| 5 | Re-appointment of Mr. Manish Jain as Whole Time Director of the Company. | | | |
| 6 | Re-appointment of Mr. Pankaj Jain as Whole Time Director of the Company. | | | |
| 7 | Re-appointment of Mr. Neeraj Jain as Whole Time Director of the Company. | | | |
| 8 | Re-appointment of Ms. Nisha Paul as Independent Director of the Company. | | | |
| 9 | Re-appointment of Shri Mahavir Prasad Gupta as Independent Director of the Company. | | | |
| 10 | Re-appointment of Shri Sunil Kumar Jain as Independent Director of the Company. | | | |
| 11 | Re-appointment of Shri Mohan Lal Mangla as Independent Director of the Company. | | | |
| 12 | Re-appointment of Shri Vijender Kumar Jain as Independent Director of the Company. | | | |
| 13 | Re-appointment of Shri Vijay Kumar Sood as Independent Director of the Company. | | | |

Signed this.....day of.....2017

Signature of Proxy Holder(s) _____ Signature of Share Holder_____

Affix
Revenue
Stamp

- Notes:** 1. This Form of Proxy in order to be effective should be duly completed and deposited at the office of the and Share Transfer Agents of the Company M/s. Skyline Financial Services Pvt. Ltd., D 153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020. Duly completed and Signed, not less than Forty Eight hours before the commencement of the Annual General Meeting (on or before 27th September, 2017 10.30 A.M. IST).
2. The Proxy Form should be signed across the revenue stamp as per specimen signatures registered with RTA/Depository Participant (DP).
3. It is optional to put 'X' in the appropriate column against the Resolution(s) indicated in the Box. If you leave 'For' or 'Against' Column Blank against any or all Resolution(s), your proxy will be entitled to Vote in the manner as He/She thinks appropriate.



COSCO (INDIA) LIMITED

(CIN : L25199DL1980PLC010173)

Registered Office : 2/8, Roop Nagar, Delhi-110007

Website : www.cosco.in; Email : mail@cosco.in; Tel. : 91-11-23843000; Fax : 91-11-23846000

ATTENDANCE SLIP

(Please complete the Attendance Slip and hand it over at the entrance of the Meeting hall)

| | |
|--|--|
| Name of the Attending Member (IN BLOCK LETTERS) | |
| Registered Address: | |
| Folio No./DP ID- Client ID | |
| E-mail-ID: | |
| No. of Shares held | |
| Name of Proxy Attending Meeting (IN BLOCK LETTERS), if the Proxy attends instead of the Member | |

I hereby record my attendance at the Thirty Eighth Annual General Meeting of the Company being held on Friday, the 29th day of September, 2017 at 10.30 AM at Amitabh, E-23, Bungalow Road, Kamla Nagar, Delhi-110007 or at any adjournment thereof.

Signature of Shareholder/Proxy

[ROUTE MAP AND PROMIENT LANDMARK]

