

2015 - 2016



NITU TRADING COMPANY LIMITED

34th Annual Report

FORWARD LOOKING STATEMENT

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and the underlying assumptions undergoing change. Should known or unknown risks or uncertainties materialize, or should underlying assumptions not materialize, actual results could vary materially from those anticipated, estimated or projected. Shareholders and Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CONTENTS

PARTICULARS	PAGE NO.
Corporate Information	3
Notice of Annual General Meeting	4
Director's Report	11
Report on Corporate Governance	31
Management Discussion & Analysis Report	38
MD / CFO Certificate	41
Auditor Certificate for Corporate Governance	42
Independent Auditors' Report	43
Balance Sheet	49
Statement on Profit & Loss Account	50
Cash Flow Statement	51
Notes forming part of the Financial Statements	52
Attendance Slip	62
Proxy Form	63
Ballot Form	65
Route Map	66

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Bhairu Ratan Ojha	Managing Director/CFO
Mrs. Madhu Sharma	Director
Mr. Mukteshwar Choudhary	Director

AUDITORS

CA Robin Jain
Chartered Accountants
P-269, Maniktala Main Road, 4th Floor
Kolkata- 700 052

REGD. OFFICE

42/1, Bowbazar Street, 3rd Floor,
Kolkata-700 012, West Bengal

Tel No. 09883912346
e-mail: nitutrading83@gmail.com
Website: www.nitutrading.com

CIN

L51109WB1983PLC035728

SCRIP CODE AT CSE

024096

REGISTRAR AND SHARE TRANSFER AGENTS

Purva Sharegistry (India) Private Limited
No. 9, Shiv Shakti Ind. Estate,
Ground Floor, J.R. Boricha Marg,
Lower Parel (East), Mumbai - 400011
Phone: 022-2301-6761 / 8261
Email ID: busicomp@vsnl.com
Website: www.purvashare.com

Annual General Meeting

Thursday, 15th September, 2016 at 2.00 p.m.
42/1, Bowbazar Street,
3rd Floor, Kolkata - 700012, West Bengal

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of M/s. Nitu Trading Company Limited will be held at its Registered Office at 42/1, Bowbazar Street, 3rd Floor, Kolkata – 700 012 on Thursday, 15th September, 2016 at 2:00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company for the year ended 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, along with notes to the financial Statements, the reports of the Directors' and Auditors thereon:
2. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder as amended from time to time, the Company hereby ratifies the appointment of Mr. Robin Jain, Chartered Accountants (Mem. No.:- 301582), as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held on 2019 of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

Registered Office:
42/1, Bowbazar Street,
3rd Floor, Kolkata – 700012

Date: 2nd August, 2016

By Order of the Board of Directors

BHAIRU RATAN OJHA
Managing Director
DIN: 06536310

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. 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 proxy for any other person or shareholders.
2. The Register of Member and Transfer Books will remain closed from Friday, the 9th day of September, 2016 to Thursday, the 15th day of September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided not less than 3 days of notice in writing is given to the company.
5. Members/Proxies are requested to bring their attendance slips duly filed in along with their copies of Annual Report to the Annual general Meeting.
6. The notice is being sent all members, whose names appear on the Register of Members/List of beneficial owners.
7. In case shares are jointly held, this form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his/her absence, by the next named member.
8. Copy of relevant documents referred to in this notice are open for inspection at the registered office of the Company on all working days, except holidays between **11.00 A.M to 2.00 P.M** upto the date of declaration of the results of e-voting.
9. Any member desirous of getting any information on the accounts of the Company is required to forward his/her queries at least 7 days prior to the meeting so that the required information can be made available at the meeting.

10. Members are requested to intimate change in their address immediately to M/s Purva Shareregistry (India) Private Limited, the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shiv Shakti Ind. Estate, Ground Floor, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400 011.
11. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
12. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Shareregistry (India) Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
13. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID 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 the order of names will be entitled to vote.
14. For members who have not registered their e-mail address, physical copies of the Notice of the 34th 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 Notice of 34th Annual General Meeting and Annual report for 2015- 2016 will be available on company's website www.nitutrading.com for their download.
15. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
16. For any assistance or information about shares etc. members may contact the Company.

17. **VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III) The process and manner for remote e-voting are as under:

- i) The remote e-voting period commences on 12th September, 2016 at 9:00 a.m. and ends on 14th September, 2016 at 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 8th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- viii) After entering these details appropriately, click on "SUBMIT" tab.

- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant <NITU TRADING COMPANY LIMITED> on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Institutional Shareholders & Custodians :
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google play store, iPhone, and Windows phone users can download the app from the App store and the Windows phone store respectively on or after 12th September, 2016, 9.00 a.m. to 14th September, 2016, 5.00 p.m. Please follow the instructions as prompted by the mobile app while voting on your mobile.
18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at af2011@rediffmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 14th September, 2016 upto 5:00 p.m. without which the vote shall not be treated as valid.
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8th September, 2016. A person who is not a member as on Cut Off date should treat this notice for information purpose only.
20. The shareholders shall have one vote per equity share held by them as on the cut-off date of 8th September, 2016. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th September, 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
22. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
23. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 8th September, 2016 are requested to send the written / email communication to the Company at nitutrading83@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

NITU TRADING COMPANY LIMITED



24. Mr. Anurag Fatehpuria, Practicing Company Secretary, (C.P No. 12855) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
25. Since e-voting facility (including Ballot form) is provided to the members pursuant to the provisions of section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.
26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing remote e-voting facility.
27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nitutrading.com and on the website of CDSL. The same will be communicated to the stock exchanges where the company shares are listed viz. The Calcutta Stock Exchanges Ltd and MCX.

Registered Office:
42/1, Bowbazar Street,
3rd Floor, Kolkata - 700012

Date: 2nd August, 2016

By Order of the Board of Directors

BHAIRU RATAN OJHA
Managing Director
DIN: 06536310

DIRECTORS REPORT

**TO
THE MEMBERS
NITU TRADING COMPANY LIMITED**

Your Directors have pleasure in presenting their 34th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2016.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Highlights of the Financial Statements of the Company are as follows:

(Amount in Rupees)

<u>PARTICULARS</u>	<u>2015-16</u>	<u>2014-15</u>
Gross Income	1,77,00,000	1,04,46,400
Profit Before Interest and Depreciation	87,090	57,829
Less: Finance Charges	1,977	1,608
Gross Profit	85,113	56,221
Less: Extraordinary Item	4,31,920	--
Net Profit Before Tax	(3,46,807)	56,221
Provision for Tax	24,895	17,372
Net Profit After Tax	(3,71,702)	38,849
Balance of Profit brought forward	(18,37,939)	(18,76,788)
SH 7 Filing Fee	(3,26,420)	--
Excess of Income Tax Reversed	3,610	--
Balance available for appropriation	(25,32,451)	(18,37,939)
Proposed Dividend on Equity Shares	--	--
Tax on proposed Dividend	--	--
Transfer to General Reserve	--	--
Surplus carried to Balance Sheet	(25,32,451)	(18,37,939)

BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS

Gross Revenue increased to Rs. 1,77,00,000/- a growth of around 69.44% against Rs. 1,04,46,400/- in the previous financial year. Profit before taxation stood at Rs. (3,46,807)/- against Rs. 56,221/- in the previous year. The net profit of the Company for the year under review was placed at Rs. (3,71,702)/- as against Rs. 38,849/- in the previous year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the Business since last year.

DIVIDEND

Since the company has suffered loss during the financial year 2015-16, your directors do not recommend any dividend for the year under review.

GENERAL RESERVES

Your Company has not transferred any amount to General Reserve.

SHARE CAPITAL

Pursuant to the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 your company has issued Equity Share Capital on preferential basis during the year under review. The details are as follows:

Increase in Share Capital (in Rs.)	Buy Back of Securities	Sweat Equity	Bonus Shares	Employees Stock Option Plan
3,02,60,000	Nil	Nil	Nil	Nil

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Bhairu Ratan Ojha has been appointed as Managing Director with effect from 02.04.2015 and further he was also appointed as a Chief Financial Officer of the Company w.e.f. 15.05.2015.

Ms. Kirtika Sarkar has resigned from the post of Company Secretary with effect from 12.02.2016.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

As required under the provisions of Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employee falling under the above category, thus no information is required to be given in the report.

MEETING OF BOARD AND AUDIT COMMITTEE

During the year 12 (Twelve) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. not more than 120 days from the previous meeting.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 15th February, 2016, inter alia, to discuss:

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

All the Independent Directors were present at the Meeting.

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

DECLARATION BY INDEPENDENT DIRECTOR(S)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements), Regulation, 2015 with the Stock Exchange is annexed as **(Annexure-I)**.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES (IF ANY)

Your Company has no subsidiary Company, Joint Ventures or Associate Companies.

AUDITORS

Mr. Robin Jain, Chartered Accountants, (Mem. No.: 301582) were appointed as Statutory Auditors of the Company on 32nd Annual general Meeting of the Company held on 30th September, 2014 for a period of five years and are eligible to continue as Statutory Auditors of the Company subject to ratification by the members at the forthcoming Annual General Meeting.

They have furnished a certificate, confirming that if re-appointed, their re-appointment will be in accordance with section 139 read with Section 141 of the Companies Act, 2013. The members are requested to consider ratification of their continuity of appointment as Auditors of the Company and authorise the Board of Directors to fix their remuneration.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, Mr. Anurag Fatehpuria (C.P. No. 12855) Practicing Company Secretary has been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure 2** to this report.

VIGIL MECHANISM

Pursuant to the provision of Section 177(9) of the Companies Act, 2013 the Company had established a vigil mechanism for Directors and employees to report concern of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct.

BUSINESS RISK MANAGEMENT

In today's economic environment, Risk Management is very important part of business. The main aim of risk management is to identify, assess, prioritize, monitor and take precautionary measures in respect of the events that may pose risks for the business. The Company is not subject to any specific risk except risks associated with the general business of the Company as applicable to the industry as a whole.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE 3**.

MATERIAL CHANGES AND COMMITMENTS

No significant and material changes have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS.

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company.

CORPORATE GOVERNANCE REPORT

The Company has complied with the Corporate Governance Code as stipulated under the SEBI Listing Regulations with the Stock Exchange. A separate section on Corporate Governance, along with certificate from the auditor confirming the compliance is annexed and forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2016 as per **Annexure 4**.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of employee. During the year under review, there was no case filed pursuant to the Sexual harassment of Women at work place (Prevention, Prohibition and Redressal), 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The particulars of conservation of energy and technology absorption as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuance of the provision of Section 135 of the Companies Act, 2013, the CSR provisions are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, state that –

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- (f) 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.

FOREIGN EXCHANGE EARNINGS AND OUT-GO:

During the period under review there was no foreign exchange earnings or out flow.

PREVENTION OF INSIDER TRADING:

Your Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Bhairu Ratan Ojha

Mukhteshwar Choudhary

**Registered Office:
42/1, Bowbazar Street,
3rd Floor, Kolkata - 700012**

**Date: 2nd August, 2016
Place: Kolkata**

**(Managing Director)
DIN: 06536310**

**(Director)
DIN: 00536462**

DECLARATION OF INDEPENDENCE

1st April, 2016

To
The Board of Directors
Nitu Trading Company Limited
42/1, Bowbazar Street, 3rd Floor,
Kolkata- 700 012

Sub: Declaration of independence under SEBI (Listing Obligations And Disclosure Requirements), Regulation, 2015, and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Mukteshwar Choudhary**, hereby certify that I am a Non-executive Independent Director of **Nitu Trading Company Limited**, having registered office at 42/1 Bowbazar Street, 3rd Floor, Kolkata - 700 012 and comply with all the criteria of Independent Director as envisaged in SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / Directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship/ transactions with the company, its promoters, its Directors, its senior management or its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - i. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**

- ii. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- c) holds together with my relatives 2% or more of the total voting power of the company; **or**
- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its Directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Mukteshwar Choudhary

DIN: 00536462

2B, Gopi Mondal Lane, Cossipore,

Kolkata - 700 002, West Bengal,

Email: guptajs@rediffmail.com

DECLARATION OF INDEPENDENCE

1st April, 2016

To
The Board of Directors
Nitu Trading Company Limited
42/1, Bowbazar Street, 3rd Floor,
Kolkata- 700 012

Sub: Declaration of independence under SEBI (Listing Obligations And Disclosure Requirements), Regulation, 2015, and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Ms. Madhu Sharma**, hereby certify that I am a Non-executive Independent Director of **Nitu Trading Company Limited**, having registered office at 42/1 Bowbazar Street, 3rd Floor, Kolkata – 700 012 and comply with all the criteria of Independent Director as envisaged in SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / Directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship/ transactions with the company, its promoters, its Directors, its senior management or its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - i) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**

- ii) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c. holds together with my relatives 2% or more of the total voting power of the company; **or**
 - d. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
 - I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its Directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Madhu Sharma
DIN: 02484283
28B, Kalicharan Ghosh Road,
Kolkata- 700 050, West Bengal
Email Id: madhusharma2008@zapak.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members,
NituTrading Company Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nitu Trading Company Limited (CIN: L51109WB1983PLC035728) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Nitu Trading Company Limited for the financial year ended on March 31, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(No compliance required to be done by the company during the reporting period)**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (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 reporting period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the reporting 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; and (Not applicable to the company during the reporting period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the reporting period)
- (i) Apart from the above, no other laws were applicable specifically to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with Calcutta Stock Exchange India Limited;

I, report that, during the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the extent applicable.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the Audit Period the Company has no corporate event / action, which otherwise would have a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Anurag Fatehpuria
ACS No.: 34471
C P No.: 12855

Place: Kolkata
Date: 2nd August, 2016

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

**To,
The Members,
Nitu Trading Company Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Nitu Trading Company Limited" (CIN: L51109WB1983PLC035728) (the company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon. Further, my secretarial audit report of even date is to be read along with this Annexed letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Anurag Fatehpuria
ACS No.:- 34471
C P No.: 12855

Place: Kolkata
Date: 2nd August, 2016

Annexure- 3
**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L51109WB1983PLC035728
2.	Registration Date	24 th January, 1983
3.	Name of the Company	Nitu Trading Company Limited
1.	Category/Sub-category of the Company	Public Company limited by shares/ Indian Non Government Company
2.	Address of the Registered office & contact details	42/1, Bowbazar Street, 3 rd floor, Kolkata- 700 012, West Bengal Phone No. 09883912346 Email Id: nitutrading83@gmail.com
3.	Whether listed company	Yes
4.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt. J .R. Boricha marg, Opp. Kasturba Hospital Lane Lower Parel (E), P.J.Towers Dalal Street, Mumbai-400 011 Tel : 91-22-2301 6761 / 8261, Fax : 91-22-2301 2517 Email : busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

<u>Sr. No.</u>	<u>Name and Description of main products / services</u>	<u>NIC Code of the Product/service</u>	<u>% to total turnover of the company</u>
1	TRADING IN TEXTILES	46695#	100%

NIC Codes - 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

<u>Sr. No.</u>	<u>Name and Description of main products / services</u>	<u>NIC Code of the Product/service</u>	<u>% to total turnover of the Company</u>
1	NIL	NIL	NIL

NITU TRADING COMPANY LIMITED



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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	50,000	50,000	20.08	Nil	60,000	60,000	1.83	(18.25)
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	10,000	10,000	4.02	Nil	6,00,000	6,00,000	18.32	14.21
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub total (A)(1)	Nil	60,000	60,000	24.10	Nil	6,60,000	6,60,000	20.15	(3.95)
2) Foreign									
a) NRI- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
SubTotal A(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A)=A(1)+(A2)	Nil	60,000	60,000	24.10	Nil	6,60,000	6,60,000	20.15	(3.95)
B. Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Co(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	20,55,000	20,55,000	62.75	62.75

NITU TRADING COMPANY LIMITED



i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	Nil	1,07,150	1,07,150	43.03	Nil	28,760	28,760	0.88	(42.15)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	81,850	81,850	32.87	Nil	4,24,050	4,24,050	12.95	(19.92)
c) Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
HUF	Nil	Nil	Nil	Nil	Nil	1,07,190	1,07,190	3.27	3.27
Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - DR	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	1,89,000	1,89,000	75.90	Nil	26,15,000	26,15,000	79.85	3.95
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	1,89,000	1,89,000	75.90	Nil-	26,15,000	26,15,000	79.85	3.95
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	2,49,000	2,49,000	100.00	Nil	32,75,000	32,75,000	100.00	No change

NITU TRADING COMPANY LIMITED



B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sushil Bajoria	60,000	1.83	Nil	60,000	1.83	Nil	1.83
2	Improve Tie Up Private Limited	Nil	Nil	Nil	6,00,000	18.32	Nil	18.32
TOTAL		60,000	24.10*	Nil	6,60,000	20.15*	Nil	20.15

*Note: The percentage has been changed due to issue of Equity Shares on preferential basis.

C) Change in Promoters' Shareholding (please specify, if there is no change) -

SN	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	60,000	24.10	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	6,00,000	18.32	6,60,000	20.15
	At the end of the year (as on 31-03-2016)			6,60,000	20.15

Note: The percentage has been changed due to issue of Equity Shares on preferential basis.

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	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	Merlin Commosales Private Limited	0	0	6,40,000	19.54
2	Nightbird Retailers Private Limited	0	0	6,40,000	19.54
3	Danush Tradelink Private Limited	0	0	6,40,000	19.54
4	Divyanshi Infra Project Private Limited	0	0	1,35,000	4.12
5	Subhash Debnath	0	0	90,000	2.75
6	Deepak Kumar Dugar	0	0	70,000	2.14
7	Sitaram Sureka HUF	50,150	20.14	50,150	1.53
8	Rakesh Agarwal HUF	0	0	45,000	1.37
9	Badri Prasad Singhania	0	0	45,000	1.37
10	Pankaj Harlalka	0	0	45,000	1.37

E) Shareholding of Directors and Key Managerial Personnel: NIL

	<u>Shareholding of each Directors and each Key Managerial Personnel</u>	<u>Shareholding at the beginning of the year</u>		<u>Cumulative shareholding during the year</u>	
		<u>No. of shares</u>	<u>% of total shares of the company</u>	<u>No. of shares</u>	<u>% of total shares of the company</u>
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	<u>Secured Loans excluding deposits</u>	<u>Unsecured Loans</u>	<u>Deposits</u>	<u>Total Indebtedness</u>
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Bhairu Ratan Ojha (Managing Director)	
1	Gross salary	2,40,000	2,40,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	2,40,000	2,40,000
	Ceiling as per the Act	Within the Limit	

B. Remuneration to other Directors: NIL

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		Madhu Sharma	Mukteshwar Choudhary	
1	Independent Directors	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil
	Overall Ceiling as per the Act	Not Applicable		

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total Amount (in Rs.)
1	Gross salary	Kirtika Sarkar*	Mr. Bhairu Ratan Ojha	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,000	Nil	80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	80,000	Nil	80,000

*Note: Ms. Kirtika Sarkar has been resign from the post of Company Secretary w.e.f. 16.02.2016.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY:

Nitu Trading Company Limited (NTCL) defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth- generating capacity. The Company's philosophy on Corporate Governance structure, systems and processes are based on two core principles: (i) Management must have the executive freedom to drive the enterprise forward without undue restraints, and (ii) This freedom of management should be exercised within a framework of effective accountability. NTCL believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and society expectations.

BOARD OF DIRECTORS:

Composition, Category of Directors and their other Directorship:

Name of the Director	Category of Directorship	No. of Directorship in other Public & Pvt. Ltd. Companies
Mr. Bhairu Ratan Ojha	Executive	5
Mr. Mukteshwar Choudhary	Independent	2
Mrs. Madhu Sharma	Independent	1
Mr. Sankar Banik*	Independent	Nil
Mr. Nishant Maheshwari*	Independent	Nil

**Note: Mr. Sankar Banik & Mr. Nishant Maheswari has been resigned from the Board w.e.f. 20th July, 2015.*

Number of Board Meetings:

During the financial year ended 31st March, 2016, 12 (Twelve) Board Meetings were held on 2nd April, 2015; 15th May, 2015; 29th May, 2015; 30th May, 2015; 11th June, 2015; 16th July, 2015; 20th July, 2015; 10th August, 2015; 30th September, 2015; 6th November, 2015; 12th February, 2016 and 30th March, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. not more than 120 days from the previous meeting.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 15th February, 2016 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Directors' Attendance Record

The last Annual General Meeting (AGM) was held on 30th September, 2015. The attendance record of the Directors at the Board Meetings during the year ended on 31st March, 2016, and at the last AGM is as under:

Name of the Director	No. of Board Meetings attended during the year	Whether attended last AGM
Mr. Bhairu Ratan Ojha	12 out of 12	Yes
Mr. Mukteshwar Choudhary	12 out of 12	Yes
Mrs. Madhu Sharma	12 out of 12	Yes
Mr. Sankar Banik*	6 out of 12	Yes
Mr. Nishant Maheshwari*	6 out of 12	Yes

**Note: Mr. Sankar Banik & Mr. Nishant Mahehsuari has been resigned from the Board w.e.f 20th July, 2015*

Evaluation of the Board's Performance:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulation, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration.

The result of the evaluation done by Independent Directors was reported to the Chairman of the Board. It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

Prevention of Insider Trading Code:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

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

COMMITTEES OF THE BOARD

In accordance with requirement SEBI (Listing Obligations And Disclosure Requirements), 2015, provisions on Corporate Governance the Board of Directors of the Company had constituted following Committees, the details of which are as under:

A. AUDIT COMMITTEE:

In terms with the provisions of the Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 read with Section 177 of the Companies Act, 2013, the Company constituted Audit Committee.

Terms of Reference:

The terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the stock exchanges read with section 177 of the Companies Act, 2013. These broadly includes (i) Develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal control and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements,(v) interaction with statutory, internal and cost auditors, (vi) recommendation for appointment,

remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- a) Matter included in the Director's Responsibility Statement.
- b) Changes, if any, in the accounting policies.
- c) Major accounting estimates and significant adjustments in financial statement.
- d) Compliance with listing and other legal requirements concerning financial statements.
- e) Disclosures in financial statement including related party transactions,
- f) Qualification in draft audit report.
- g) Scrutiny of inter-corporate loans & investments.
- h) Management's Discussions and Analysis of Company's operations.
- i) Valuation of undertakings or assets of the company, wherever it is necessary.
- j) Periodical Internal Audit Reports and the report of Fraud Risk Management Committee.
- k) Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
- l) Letters of Statutory Auditors to management on internal control weakness, if any.
- m) Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- n) Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of the statutory auditors and cost auditors considering their independence and effectiveness, and recommend the audit fees.
- o) Subject to review by the Board of Directors, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus approval given.

Composition and Meetings:

The Audit Committee consists of two Independent Directors and one non Independent, (Executive) Director at present. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The Audit Committee meets 5 times during the financial year ended 31st March, 2016. The attendance record of the members at the meeting was as follows:

Sr. No.	Name	Designation	Category	No of Meeting held	No of Meeting attended
1.	Ms. Madhu Sharma	Chairman	Independent/ Non Executive	5	5
2.	Mr. Mukteshwar Choudhary	Member	Independent/ Non Executive	5	5
3.	Mr. Bhairu Ratan Ojha	Member	Non Independent /Executive	5	5

NITU TRADING COMPANY LIMITED



4.	Mr. Sankar Banik	Member	Independent/ Non Executive	5	1
5.	Mr. Nishant Maheshwari	Member	Independent/ Non Executive	5	1

Note: Mr. Sankar Banik & Mr. Nishant Maheshwari has been resigned from the Board w.e.f 20th July, 2015

B. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the Company has constituted a Remuneration & Nomination Committee, as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations And Disclosure Requirements) Regulation, 2015, with the object of Remuneration & Nomination committee is to recommend/ review the remuneration of Managing Directors/Whole-time Directors. The remuneration policy of the Company is directed towards rewarding performance and attracting new talents/retaining them. While deciding the remuneration, the Committee takes into account the financial position of the Company, trend in the Industry, Appointee's qualification, experience, past performance, past remuneration etc.

Terms of Reference:

The Committee is empowered:-

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/Independent Directors on the Board and as Key Managerial Personnel's;
- Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance;
- Conduct Annual performance review of MD and CEO and Senior Management Employees;
- Administration of Employee Stock Option Scheme (ESOS);
- Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

Composition of the Remuneration and Nomination Committee is as follows:

Sr. No.	Name	Designation	Category
1.	Mr. Mukteshwar Choudhary	Chairman	Independent/Non Executive
2.	Ms. Madhu Sharma	Member	Independent/Non Executive
3.	Mr. Bhairu Ratan Ojha	Member	Non Independent/Executive
4.	Mr. Sankar Banik*	Member	Independent/Non Executive
5.	Mr. Nishant Maheshwari*	Member	Independent/Non Executive

**Note: Mr. Sankar Banik & Mr. Nishant Maheshwari has been resigned from the Board w.e.f 20th July, 2015*

This Committee has been formed to carry out the function as contained in Schedule V of the Companies Act, 2013 and shall enjoy necessary powers and authority reviews commensurate with its functions.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Shareholders Investors Grievance Committee consists of the following Directors. The Committee is in charge of looking after grievances of Investors and Shareholders. The detail of the Committee is as follows:

The Composition of Stakeholders Relationship Committee is as follows:

Sr. No.	Name	Designation	Category
1.	Mr. Mukteshwar Choudhary	Chairman	Independent Director
2.	Ms. Madhu Sharma	Member	Independent Director
3.	Mr. Bhairu Ratan Ojha	Member	Executive Director
4.	Mr. Sankar Banik	Member	Independent Director
5.	Mr. Nishant Maheshwari	Member	Independent Director

Note: Mr. Sankar Banik & Mr. Nishant Maheshwari has been resigned from the Board w.e.f 20th July, 2015

GENERAL BODY MEETINGS

Annual General Meeting (AGM):

The details of last three Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Date & Time	Venue
2014-15	30 th September, 2015 at 10:30 a.m.	42/1, Bowbazar Street, 3 rd Floor, Kolkata - 700012
2013-14	30 th September, 2014 at 11:00 a.m.	2B, Grant Lane, 4 th Floor, Kolkata - 700012
2012-13	30 th September, 2013 at 11:00 a.m.	2B, Grant Lane, 4 th Floor, Kolkata - 700012

Extraordinary General Meeting (EGM):

Extraordinary General Meeting was held on 10th July, 2015 for increase of Authorised Share Capital and Allotment of Equity shares on Preferential basis.

Postal Ballot:

During the financial year ending 31st March, 2016, there has been no ordinary or special resolution passed by the Company's shareholders through postal ballot.

DISCLOSURES

- There are no materially significant transactions with the related party's viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report.
- There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- No penalties have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company has in place a mechanism to inform the Board members about the Risk assessment

and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

- e) During the year ended 31st March, 2016 the Company does not have any material listed/unlisted subsidiary companies as defined in the Listing Regulation.
- f) The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

CEO & CFO CERTIFICATION:

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Clause 49 of the listing agreement/Listing Regulation certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

MEANS OF COMMUNICATION:

The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper and one English news paper. Also they are uploaded on the company's website www.nitutrading.com. The results are published in accordance with the guidelines of the Stock Exchanges.

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting : Thursday, 15th September, 2016
Day & Date : 2:00 p.m.
Time : 42/1, Bowbazar Street, 3rd Floor,
Venue : Kolkata - 700012

Financial Calendar : 1st April to 31st March

Future Calendar : The tentative dates are as follows:

First Quarter Results	Within 45 days of the end of Quarter
Second Quarter and Half Yearly Results	
Third Quarter Results	
Fourth Quarter and Annual Results	Within 60 days of the end of Quarter
Annual General Meeting	In the Month of September

Book Closure : From Friday, 9th September, 2016 to Thursday, 15th September, 2016
 (both days inclusive)

Listing of Shares : The Calcutta Stock Exchange Limited and
 Metropolitan Stock Exchange of India Ltd.

ISIN : INE406T01011

CIN : L51109WB1983PLC035728

Market Price Data : As the trading facility is not available on The

NITU TRADING COMPANY LIMITED



Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Ltd. where the shares of the Company are listed the market price is not available.

- E-Voting** : In terms of Section 108 of the Companies Act, 2013, Rules framed there under and Clause 35B of the Listing Agreement, the Company is providing e-voting facility to its Members in respect of all Members' resolutions proposed to be passed at this Annual General Meeting.
- Share Transfers Agent** : Purva Sharegistry (India) Private Limited
No. 9, Shiv Shakti Ind. Estate,
Ground Floor, J.R. Boricha Marg,
Lower Parel (East), Mumbai - 400011
Phone: 022-2301-6761 / 8261
Email ID: busicomp@vsnl.com
Website: www.purvashare.com
- Share Transfer System** : All physical share transfers are affected within 15 days of lodgement, subject to the documents being in order.
- Address for correspondence** : Nitu Trading Company Limited
42/1, Bowbazar Street, 3rd Floor, Kolkata - 700012
Telephone: 09883912346
Email Id: nitutrading83@gmail.com
Website: www.nitutrading.com

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The purpose of this discussion is to provide an understanding of financial statements and a composite summary of performance of our business. Management Discussion and Analysis (MDA) is structured as follows:

- Overview of Indian Economy
- Textile industry Overview
- Result of Operation
- Risk and Concerns
- Internal Control Systems and adequacy
- Material Development in Human Resources

Overview of Indian Economy

The Economy of India is the seventh - largest in the world by nominal GDP and the third - largest by purchasing power parity (PPP). The country classified as newly industrialized country, one of the G-20 major economies, a member of BRICS and a developing economy with approximately 7% average growth rate for the last two decades.

The long-term growth prospective of the Indian economy is moderately positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. The Indian economy has the potential to become the world's 3rd-largest economy by the next decade, and one of the largest economies by mid-century. And the outlook for short-term growth is also good as according to the IMF, the Indian economy is the "bright spot" in the global landscape. India also topped the World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.6% in 2015-16 and expected to grow 8% for the next year i.e 2016-17.

India has one of the fastest growing service sectors in the world with annual growth rate of above 9% since 2001, which contributed to 57% of GDP in 2012-13. India has capitalized its economy based on its large educated English-speaking population to become a major exporter of IT services, BPO services, and software services with \$167.0 billion worth of service exports in 2013-14. It is also the fastest-growing part of the economy. The IT industry continues to be the largest private sector employer in India. India is also the fourth largest start-up hub in the world with over 3,100 technology start-ups in 2014-15. The agricultural sector is the largest employer in India's economy but contributes to a declining share of its GDP (17% in 2013-14). India ranks second worldwide in farm output. The Industry sector has held a constant share of its economic contribution (26% of GDP in 2013-14). The Indian auto industry is one of the largest in the world with an annual production of 21.48 million vehicles in FY 2013-14. India has \$600 billion worth of retail market in 2015 and one of world's fastest growing E-Commerce markets.

India's two major stock exchanges, Bombay Stock Exchange and National Stock Exchange of India, had a market capitalization of US \$ 1.71 trillion and US \$1.68 trillion respectively as of Feb 2015, which ranks 11th & 12 largest in the world respectively according to the World Federation of Exchanges.

Textile Industry overview

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The industry realised export earnings worth US \$ 41.4 billion in 2014-15, a growth of 5.4 per cent. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US \$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

(Source: Ministry of Textiles)

Result of Operations

During the Financial Year 2015-16, the total Revenue generated by the Company is Rs. 1,77,00,000/- and during the previous year it was Rs. 1,04,46,400/-. Profit/loss after tax for the Financial year 2015-16 is Rs. (3,71,702)/- as compared to the previous year's Rs. 38,849/-.

- Revenue from operation stood at Rs. 1,75,50,000/- for fiscal year 2016.
- Profit before Taxes of fiscal 2016 was Rs. 85,113/-.
- Profit/Loss After Taxes of fiscal 2016 was Rs. (3,71,702)/-.
- Basic Earnings per share for fiscal 2016 was Re (0.16) per share.

Opportunities And Threat

The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time.

Risks and Concerns

Risk is an inherent part of any business. There are various types of risks, which threat the existence of a company like Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Strategic Risk, Regulation Risk etc. Your Company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

Internal Control System & Adequacy

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance's with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems

Material Development in Human Resources

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year.

Disclosures

During the year the Company has not entered into any transaction of material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.

MANAGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors
M/s. Nitu Trading Company Limited

- A. I have reviewed the financial statements and the cash flow statement of Nitu Trading Company Limited for the Financial Year ended 31st March, 2016 and to the best of our Knowledge and belief, I state that:
1. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading;
 2. These statements Present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.
- C. I have accepted responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and also disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which are aware and steps taken and/or proposed to be taken to rectify these deficiencies.
- D. I have also indicated to the Auditors and the Audit Committee:
- i) Significant changes, if any, in the Internal Controls over financial reporting during the year;
 - ii) Significant changes, if any, in accounting policies made during the Year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

BHAIRU RATAN OJHA
Managing Director & CFO
DIN: 06536310

Place: Kolkata
Date: 2nd August, 2016

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members
NITU TRADING COMPANY LTD**

I have examined the compliance of conditions of Corporate Governance by Nitu Trading Company Ltd. for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the said Company with the Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and 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 for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of management. My Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement/Listing Regulation, as applicable.

I 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.

**Robin Jain
Chartered Accountants
Membership No.: 301582**

**Place: Kolkata
Date: 14th May, 2016**

Independent Auditor's Report

TO
THE MEMBERS OF
M/s NITU TRADING COMPANY LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **NITU TRADING COMPANY LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended March 31, 2016, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 judgements 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.

3. Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 financial statements

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit/ loss

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended March 31, 2016;
- c) In the case of the Cash Flow statement, flow of the cash and cash equivalents for the year ended March 31, 2016.

5. Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under the Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
- 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 does not have any pending litigations which would impact its financial position;
 - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

Place: Kolkata
Dated: 14th May, 2016

For CA Robin Jain
Chartered Accountants
Mem. No. : 301582

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of report of even date to the standalone financial statements of the company for the year ended March 31, 2016; we report that:

3.1 Clause (i):

The company does not hold any fixed assets. Accordingly, the paragraph 3(i) of the order is not applicable to the company and hence not commented upon.

3.2 Clause (ii):

The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed and they have been properly dealt with in the books of account.

3.3 Clause (iii):

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the paragraph 3(iii) of the order is not applicable to the company and hence not commented upon.

3.4 Clause (iv):

In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

3.5 Clause (v):

According to the information and explanation given to us the company has not accepted deposits from the public during the financial year under audit. Accordingly, the paragraph 3(v) of the order is not applicable to the company and hence not commented upon.

3.6 Clause (vi):

In our opinion and according to information and explanation given to us, the company does not manufacturing any goods and as such the provision related to maintenance of cost records by the company under sub section (1) of section 148 of Companies Act, 2013 for any of its products as prescribed by Central Government, are not applicable.

3.7 Clause (vii):

- (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) According to the information and explanations given to us there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

3.8 Clause (viii):

According to the records of the company examined by us and as per the information and explanation given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. Accordingly, the paragraph 3(viii) of the order is not applicable to the company and hence not commented upon.

3.9 Clause (ix):

In our opinion and according to information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the paragraph 3(ix) of the order is not applicable to the company and hence not commented upon.

3.10 Clause (x):

No fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

3.11 Clause (xi):

Managerial remuneration has been paid or provided during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

3.12 Clause (xii):

In our opinion, and according to information and explanations given to us, clause (xii) of para 3 to Companies (Auditor's Report) Order, 2016 w.r.t. Nidhi Company is not applicable to company. Accordingly, the paragraph 3(xii) of the order is not applicable to the company and hence not commented upon.

3.13 Clause (xiii):

In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

3.14 Clause (xiv):

The company **has made a preferential allotment of 30,26,000 equity shares at a face value of Rs. 10/- each and securities premium of Re. 1/- each.** The company has not made any allotment of fully or partly convertible debentures during the year under review.

3.15 Clause (xv)

The company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the paragraph 3(xv) of the order is not applicable to the company and hence not commented upon.

3.16 Clause (xvi):

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the order is not applicable to the company and hence not commented upon.

Place: Kolkata
Dated: 14th May, 2016

For CA Robin Jain
Chartered Accountants
Mem. No.: 301582

"Annexure B" to the Independent Auditor's 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 **NITU TRADING COMPANY LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

We believe that the audit evidence we have obtained 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

Place: Kolkata

Dated: 14th May, 2016

**For CA Robin Jain
Chartered Accountants
Mem. No. : 301582**

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

BALANCE SHEET as at 31st MARCH 2016

		Amount in Rs.	
Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	3,27,50,000	24,90,000
Reserves and Surplus	3	4,93,549	(18,37,939)
		3,32,43,549	6,52,061
Current Liabilities			
Trade Payable	4	6,46,808	96,10,000
Other Current Liabilities	5	42,105	27,250
Short-term Provisions	6	24,895	26,772
		7,13,808	96,64,022
		3,39,57,357	1,03,16,083
<u>ASSETS</u>			
Non-Current Assets			
Non - Current Investment	7	30,50,000	6,12,500
Long-term Loans and Advances	8	51,35,000	28,003
		81,85,000	6,40,503
Current Assets			
Inventories	9	96,13,311	-
Trade Receivable	10	1,61,17,150	96,20,650
Cash and Bank Balances	11	26,896	54,930
Short Term Loans & Advances	12	15,000	-
		2,57,72,357	96,75,580
		3,39,57,357	1,03,16,083

Significant Accounting Policies 1

The notes referred to above form an integral part of the Statement of Profit and Loss

In terms of our report of even date annexed

CA Robin Jain
Chartered Accountants
Membership No.: 301582

BHAIRU RATAN OJHA
Managing Director
DIN: 06536310

MUKTESHWAR CHOUDHARY
Director
DIN: 00536462

Place: Kolkata
Date: 14th May 2016

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

STATEMENT OF PROFIT AND LOSS for the year ended 31st MARCH 2016

		Amount in Rs.	
Particulars	Note No.	Year Ended 31st March 2016	Year Ended 31st March 2015
<u>INCOME</u>			
Revenue from Operations	9	1,75,50,000	1,04,35,900
Other Income	10	1,50,000	10,500
	"A"	1,77,00,000	1,04,46,400
<u>EXPENDITURE</u>			
Purchase of Stock-in-Trade	11	2,62,75,200	99,95,500
Changes of Inventories of Finished Goods	12	(96,13,311)	-
Employee Benefits Expense	13	3,80,000	2,40,000
Finance Costs	14	1,977	1,608
Other Expenses	15	5,71,021	1,53,071
	"B"	1,76,14,887	1,03,90,179
PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEM AND TAX	(A-B)	85,113	56,221
EXCEPTIONAL ITEMS		-	-
PROFIT BEFORE EXTRAORDINARY ITEM AND TAX		85,113	56,221
EXTRAORDINARY ITEM	16	4,31,920	-
PROFIT BEFORE TAX		(3,46,807)	56,221
TAX EXPENSES :			
Current Tax		24,895	17,372
Earlier Years		-	-
NET TAX EXPENSES		24,895	17,372
PROFIT / (LOSS) FOR THE YEAR		(3,71,702)	38,849
Earnings Per Equity Share	12		
Basic		(0.16)	0.16
Diluted		(0.16)	0.16

Significant Accounting Policies 1

The notes referred to above form an integral part of the Statement of Profit and Loss

In terms of our report of even date annexed

CA. Robin Jain
Chartered Accountants
Membership No.: 301582

BHAIRU RATAN OJHA
Managing Director
DIN: 06536310

MUKTESHWAR CHOUDHARY
Director
DIN: 00536462

Place: Kolkata
Date: 14th May, 2016

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

CASH FLOW STATEMENT for the year ended 31st MARCH, 2016

		Amount in Rs.
Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
A Cash Flow from Operating Activities :		
Net Profit/ (Loss) before tax and Extra ordinary Items	85,113	56,221
Adjustments for:		
Interest Income	1,50,000	-
Loss on Sale of Assets	-	-
Operating Profit before working capital changes	(64,887)	56,221
Increase / (Decrease) in Short Term Borrowings	-	(97,075)
Increase / (Decrease) in Other Current Liabilities	14,855	(33,840)
Increase / (Decrease) in Trade Payables	(89,63,192)	96,10,000
Increase / (Decrease) in Short Term Provisions	-	-
(Increase) / Decrease in Inventories	(96,13,311)	-
(Increase) / Decrease in Trade Receivable	(64,96,500)	(96,20,650)
(Increase) / Decrease in Short Term Loans & Advances	(15,000)	-
Operating Profit after working capital changes	(2,51,38,035)	(85,344)
Less: Income Tax Paid	25,080	-
Net Cash from/ (used in) Operating Activities and Before Extra Ordinary Items	(2,51,63,115)	(85,344)
Less: Extra-Ordinary Items	4,30,002	-
Net Cash from/ (used in) Operating Activities (A)	(2,55,93,117)	(85,344)
B Cash Flow from Investing Activities :		
Interest Income	1,50,000	-
Non current Investments	(24,37,500)	-
Long term Loans & Investments	(51,06,997)	-
Net Cash from/ (used in) Investing Activities (B)	(73,94,497)	-
C Cash Flow from Financing Activities :		
Proceeds from Issue of Equity Shares (Face Value)	3,02,60,000	-
Proceeds from Issue of Equity Shares (Securities Premium)	30,26,000	-
Filing fees for Increase in Authorized Capital	(3,26,420)	-
Net Cash from/ (used in) Financing Activities (C)	3,29,59,580	-
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(28,034)	(85,344)
Cash & Cash Equivalents as at the beginning of the year	54,930	1,40,274
Cash & Cash Equivalents as at the end of the year	26,896	54,930

For and on behalf of the Board

In terms of our report of even date annexed

BHAIKU RATAN OJHA

MUKTESHWAR
CHOUDHARY

Managing Director
DIN: 06536310

Director
DIN: 00536462

CA Robin Jain

Membership No. 301582

Kolkata, 14th May, 2016.

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

Notes to the Financial Statements

CORPORATE INFORMATION

Nitu Trading Company Limited (the Company) is a Public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

BASIS OF PREPARATION

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India, in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) (Second Amendment) Rules, 2011, prescribed by the Central Government. Management evaluates all recently used or revised accounting standards on an ongoing basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1. SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of the Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates includes future obligation with respect to employees benefits, income taxes, useful lives of fixed assets etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

b) Fixed Assets and Depreciation

i) Tangible Assets

Tangible assets are stated at their cost of acquisition net of receivable CENVAT and VAT Credits. All costs, direct or indirect, relating to the acquisition and installation of fixed assets and bringing it to its working condition for its intended use are capitalised and include borrowing costs and adjustments arising from foreign exchange rate variations directly attributable to construction or acquisition of fixed assets. Depreciation on fixed assets is provided on written down value method (WDV) on a pro-rata-basis at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In respect of assets acquired/sold during the year, depreciation has been provided on pro-rata basis with reference to the days of addition/put to use or disposal.

ii) Intangible Assets

Intangible Assets are stated at their cost of acquisition, less accumulated amortization and accumulated impairment losses thereon. An intangible asset is recognized where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of intangible assets is allocated based on the estimates of the useful life of the asset not exceeding five years.

c) Impairment of Assets

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

d) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investment. Current investments are carried at lower of cost and fair value determined on an individual item basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

e) Inventories

- i) Finished and Semi-Finished products produced and purchased by the Company are carried at lower of cost and net realisable value after providing for obsolescence, if any.
- ii) Work-in-progress is carried at lower of cost and net realisable value.
- iii) Stock of raw materials, stores, spare parts and packing materials are valued at lower of cost less CENVAT Credit/ VAT availed or net realisable value.
- iv) Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition.

v) Liability for excise duty in respect of goods manufactured by the Company is accounted upon removal of goods from the factory.

f) Revenue Recognition

Income and expenditure is recognized and accounted for on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of sales returns, sales tax/VAT, cash and trade discounts.

g) Foreign Currency Transactions

The company follows Accounting Standard 11 issued by the Institute of Chartered Accountants of India to account for the foreign exchange transactions.

h) Government Grants and Subsidies

Grants and Subsidies from the Government are recognized when there is reasonable certainty that the Grant/Subsidy will be received and all attaching conditions will be complied with. When the Grant or Subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the Grant or Subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset. Government Grants of the nature of Promoters' contribution are credited to Capital Reserve and treated as a part of Shareholders' Funds.

i) Retirement Benefits

Contributions to the provident fund and employees state insurance (if any) is made monthly at a pre-determined rate to the Provident Fund Commissioner and Employees State Insurance Fund respectively and debited to the profit & loss account on an accrual basis.

Provision for outstanding Leave Encashment benefit and Gratuity (if any) for employees, if any is accounted for on accrual basis.

j) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

k) Lease Policy

i) Finance Leases

Leases which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the Statement of Profit and Loss.

A Leased Asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower.

ii) Operating Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as Operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

l) Earning Per Share

The Company reports Basic and Diluted earnings per equity share in accordance with the Accounting Standard - 20 on Earning Per Share. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

m) Provision for Current and Deferred Tax

Provision for current Income Tax and Wealth Tax are made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax

asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

n) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

o) Extraordinary and Exceptional Activity

Extraordinary activities are those activities which are clearly distinct from ordinary activity of the enterprise and, therefore are not expected to recur frequently or regularly. The following are the exceptional and extraordinary items: a) Filing fees b) Issue Charges c) Depository Fees d) RTA Expenses e) Professional Fees.

In terms of our report of even date annexed

For and on behalf of the Board

C.A Robin Jain
Chartered Accountants
Membership No. 301582
Kolkata, 14th May, 2016.

Bhairu Ratan Ojha
Managing Director
DIN: 06536310

Mukteshwar Choudhary
Director
DIN: 00536462

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 31st MARCH 2016

(Amount in Rs.)

2. SHARE CAPITAL

Particulars	As at 31st March 2016	As at 31st March 2015
Authorised Shares		
33,00,000 (P.Y. 2,50,000) Equity Shares of Rs. 10/- each	3,30,00,000	25,00,000
	<u>3,30,00,000</u>	<u>25,00,000</u>
Issued, Subscribed & Fully paid-up shares		
32,75,000 (P.Y. 2,49,000) Equity Shares of Rs. 10/- each	3,27,50,000	24,90,000
	<u>3,27,50,000</u>	<u>24,90,000</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares outstanding at the beginning of the year	2,49,000	24,90,000	2,49,000	24,90,000
Add : Addition during the year	30,26,000	3,02,60,000	-	-
Shares outstanding at the end of the year	<u>32,75,000</u>	<u>3,27,50,000</u>	<u>2,49,000</u>	<u>24,90,000</u>

b) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per shares. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company in general meeting can't declare dividend in excess of the amount recommended by the Board. Dividend as declared in the ensuing Annual General Meeting, shall be distributed within the period provided in the Companies Act, 2013.

In the event of Winding up of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. For the said purpose, the liquidator may set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out between the members.

c) Details of Shareholders holding more than 5 % (percent) shares in the Company:

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Danush Tradelink Pvt. Ltd.	640000	19.54%	-	-
Improve Tie-up Pvt. Ltd.	600000	18.32%	-	-
Merlin Commosales Pvt. Ltd.	640000	19.54%	-	-
Nightbird Retailers Pvt. Ltd.	640000	19.54%	-	-
Krishna Kumar Khator	-	-	50000	20.08%

3 **RESERVES & SURPLUS**

Particulars	As at 31st March 2016 (Amount in Rs.)	As at 31st March 2015 (Amount in Rs.)
A. Securities Premium Account		
At the Beginning of the Accounting Period	-	-
Additions during the Year	30,26,000	-
At the End of the Accounting Period	30,26,000	-
B. Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	(18,37,939)	(18,76,788)
Less: Form SH-7 Filing Fees	(3,26,420)	
Add : Excess of Income Tax Reversed	3,610	
Add : Net Profit / (Net Loss) for the year	(3,71,702)	38,849
Net Surplus / (Deficit) in the Statement of Profit and Loss	(25,32,451)	(18,37,939)
GRAND TOTAL (A+B)	4,93,549	(18,37,939)

CURRENT LAIBILITIES

Particulars	As at 31st March 2016 (Amount in Rs.)	As at 31st March 2015 (Amount in Rs.)
4 <u>Trade Payable</u>		
Trade Payables	6,46,808	96,10,000
	6,46,808	96,10,000
5 <u>Other Current Liabilities</u>		
Liabilities for Expenses	42,105	27,250
	42,105	27,250

6 **SHORT TERM PROVISIONS**

Particulars	As at 31st March 2016 (Amount in Rs.)	As at 31st March 2015 (Amount in Rs.)
Provision for Taxation	24,895	26,772
	24,895	26,772

7 **NON CURRENT INVESTMENT**

A) Non- Trade Investment

Quoted Investment - Equity Shares

	As at 31st March 2016 No. of Shares	value	As at 31st March 2015 No. of Shares	value
- Indian Capital Corporation Ltd	-	-	7,500	1,12,500

Unquoted Investment - Equity Shares

	As at 31st March 2016 No. of Shares	value	As at 31st March 2015 No. of Shares	value
Accurate Vintrade Pvt. Ltd.	10,500	1,15,000	-	-
Aludecor Lamination Pvt. Ltd.	4,50,000	4,50,000	-	-

NITU TRADING COMPANY LIMITED



Arim Icecream Industries Pvt. Ltd.	4,000	40000	-	-
Clubside Dealcom Pvt. Ltd.	1,39,900	13,99,000	-	-
Intellect Tradelink Pvt. Ltd.	3,600	36,000	-	-
Positive Vinimay Pvt. Ltd.	7,000	70,000	-	-
Shriramrathi Marketing Pvt. Ltd.	44,000	4,40,000	-	-
Quoted Investment - Preference share				
- Morning Due Finance Pvt. Ltd.	2,000	4,00,000	2,000	4,00,000
B) Trade Investment				
Investment in Equity Share				
- Aerocity Traders Pvt. Ltd.	10,000	1,00,000	10,000	1,00,000
				-
Total		30,50,000		6,12,500

8 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2016	As at 31st March 2015
	(Amount in Rs.)	(Amount in Rs.)
Advance Income Tax (Net of Provisions Rs Nil, P.Y. Rs Nil)	-	28,003
Advance to Parties	51,35,000	-
	51,35,000	28,003

9 INVENTORIES

Particulars	As at 31st March 2016	As at 31st March 2015
Closing Stock		
Saree	96,13,311	-
	96,13,311	-

10 TRADE RECIVABLE

Particulars	As at 31st March 2016	As at 31st March 2015
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1,61,17,150	96,20,650
	1,61,17,150	96,20,650

NITU TRADING COMPANY LIMITED



11 CASH AND BANK BALANCES

Particulars	As at 31st March 2016 (Amount in Rs.)	As at 31st March 2015 (Amount in Rs.)
Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	18020	37,041
Cash in Hand	8876	17,889
	26,896	54,930

12. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March 2016	As at 31st March 2015
Balances with Revenue Authorities		
TDS	15000	-
	15000	-

13. REVENUE FROM OPERATIONS

Particulars	As at 31st March 2016	As at 31st March 2015
Revenue from Operations:		
Sale of Sarees	1,75,50,000	1,04,35,900
	1,75,50,000	1,04,35,900

14 OTHER INCOME

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Miscellaneous Income	1,50,000	10,500
Liability Written Off	-	-
	1,50,000	10,500

15. PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31st March 2016	As at 31st March 2015
Purchase of Stock-in-Trade	2,62,75,200	99,95,500
	2,62,75,200	99,95,500

16. CHANGES IN INVENTORIES

Particulars	As at 31st March 2016	As at 31st March 2015
Finished Goods:		
Saree		
At the Beginning of the Accounting Period	-	-
At the End of the Accounting Period	96,13,311	-
	<u>96,13,311</u>	<u>99,95,500</u>

17. EMPLOYEE BENEFITS EXPENSES

Particulars	As at 31st March 2016	As at 31st March 2015
Salary & Allowances	3,80,000	2,40,000
	<u>3,80,000</u>	<u>2,40,000</u>

18. FINANCE COSTS

Particulars	As at 31st March 2016	As at 31st March 2015
Bank Charges	1,977	1,608
	<u>1,977</u>	<u>1,608</u>

19. OTHER EXPENSES

Particulars	As at 31st March 2016	As at 31st March 2015
Accounting Charges	13,000	18,000
Advertisement Expenses	90,136	-
Carriage Inward	99,830	5,250
Carriage Outward	19,590	4,780
Certification Fees	15,890	-
Depository Fees	77,600	-
Filing Fees	55,400	1,200
General Expenses	65,439	35,500
Packing Charges	-	4,320
Payment to Auditors (refer details below)	5,000	4,171
Postage & Courier	1,270	-
Printing & Stationery	22,143	-
Professional Fees	30,000	-
Rates and Taxes	-	19,850
Rent	20,000	60,000
RTA Fees	41,823	-

NITU TRADING COMPANY LIMITED



Telephone Expenses	200	-
Website Expenses	13,700	
	<u>5,71,021</u>	<u>1,53,071</u>

a) Details of Payments to Auditor

As Auditor		
Statutory Audit Fee	4,000	3,371
Secretarial Audit Fee	1,000	800
In Other Capacity	-	
	<u>5000</u>	<u>4,171</u>

20. EXTRA ORDINARY ITEMS

Particulars	As at 31st March 2016	As at 31st March 2015
Listing Fees	4,29,375	-
Penalty for Late Payment of Income Tax	2,545	-
	<u>4,31,920</u>	<u>-</u>

21. EARNINGS PER SHARE (EPS)

Net Profit After Taxation	(3,71,702)	38,848
Weighted average number of Equity Shares	23,50,389	249,000
Add: Dilutive Potential Equity Shares	0	0
No. of Equity Shares for Dilutive EPS	23,50,389	249,000
Nominal Value of Shares (in Rs.)	10	10
Basic Earnings Per Share (in Rs.)	(0.16)	0.16
Diluted Earnings Per Share (in Rs.)	(0.16)	0.16

22. RELATED PARTY DISCLOSURES

(a) List of Related Parties

(i) Key Management Personnel	
BHAIRU RATAN OJHA	Managing Director/CFO
MUKTESHWAR CHOUDHARY	Director
MADHU SHARMA	Director
ii) Others	None

(b) Transactions with Related Parties -.

	Key Managerial Personnel 2015-16	2014-15
Transactions with Key Managerial Peronnels		
BHAIRU RATAN OJHA		
Remuneration	2,40,000	-
KRITIKA SARKAR		
Remuneration	80,000	-

23. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS	NIL	NIL
24. EXENDITURE IN FOREIGN CURRENCY	NIL	NIL
25. EARNINGS IN FOREIGN EXCHANGE	NIL	NIL

26. DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT 2006

Based on the representations made to us by the management of the Company, there are no dues to entities defined as Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006.

27. SEGMENT REPORTING

The Company doesn't fall in any of the category of enterprises as mentioned in AS -17 "Segment reporting" notified by Companies (Accounting Standards) Rules, 2006, so the company is not required to apply this Accounting Standard.

28. In the opinion of the Board of Directors, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at not less than the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

29. Certain balances of Trade Receivables, Trade Payables, Unsecured Loans & Advances are subject to confirmation.

In terms of our report of even date annexed

For and on behalf of the Board

C.A Robin Jain
Chartered Accountants
Membership No.: 301582

BHAIRU RATAN OJHA
Managing Director
DIN: 06536310

MUKTESHWAR CHOUDHARY
Director
DIN: 00536462

Place: Kolkata
Date: 14th May 2016

NITU TRADING COMPANY LIMITED



CIN: L51109WB1983PLC035728

Regd. Office: 42/1, Bowbazar Street, 3rd Floor, Kolkata -700001, West Bengal

34th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

(Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.)

DP Id *		Client Id*	
Regd. Folio No.		No. of Shares	

*Applicable for shares held in electronic form

Name(s) and address of the shareholder / Proxy in full:_____

I/we hereby record my/our presence at the 34th Annual General Meeting of the Company being held on Thursday, 15th September, 2016 at 2.00 p.m. at 42/1, Bowbazar Street, 3rd Floor, Kolkata -700001, West Bengal,

Please (√) in the box

MEMBER

☐

PROXY

☐

Signature of Shareholder / Proxy

NITU TRADING COMPANY LIMITED



Form No. MGT-11

PROXY FORM

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

CIN: L51109WB1983PLC035728

Name of the Company: Nitu Trading Company Limited

Registered Office: 42/1, Bowbazar Street, 3rd Floor, Kolkata -700001, West Bengal

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No. / Client Id:	
DP ID:	

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

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Thursday the 15th September, 2016 at 2.00 p.m. at 42/1, Bowbazar Street, 3rd Floor, Kolkata -700001, West Bengal, and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description of Resolutions:
Ordinary Business:	
1.	Adoption of the Audited Balance Sheet of the Company for the Financial Year ended 31st March, 2016 together with the Report of the Board of Directors and Auditors thereon.
2.	To Ratify the appointment of Statutory Auditor

NITU TRADING COMPANY LIMITED



Signed this day of 2016

**Affix
Revenue
Stamp**

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Any alteration or correction made to this Proxy form must be initialed by the signatory / signatories.

Form No. MGT- 12

BALLOT FORM

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Nitu Trading Company Limited

Registered Office: 42/1, Bowbazar Street, 3rd Floor, Kolkata -700001, West Bengal

CIN: L51109WB1983PLC035728

Sr. No	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal Address	
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary enumerated below by recording my assent or dissent to the said resolutions in the following manner:

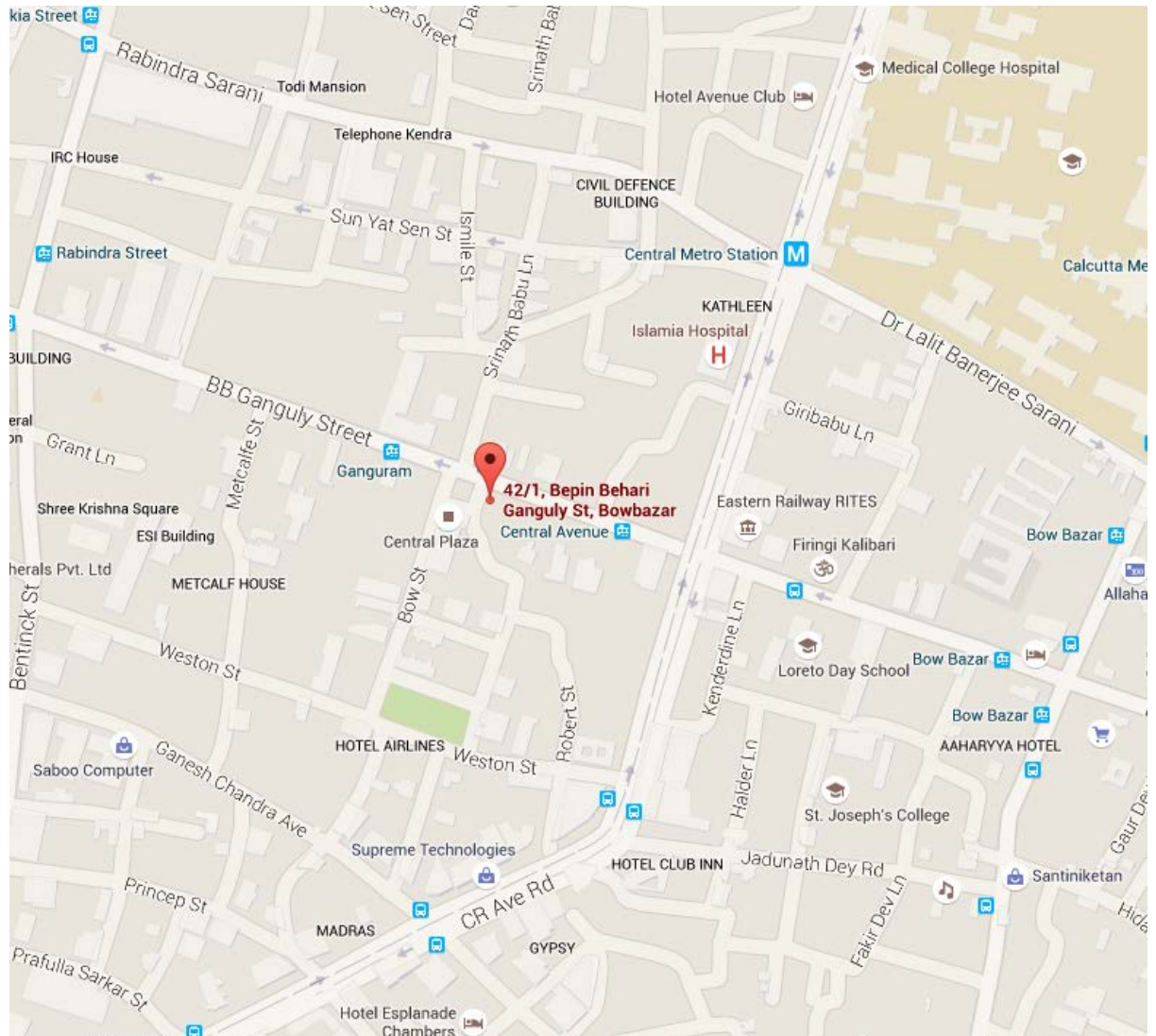
Item No	Item	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of the Financial Statements of the Company for the Financial Year ended 31st March, 2016 together with the Report of the Board of Directors and Auditors thereon.			
2.	To Ratify the appointment of Statutory Auditor			

**Place
Date:**

(Signature of the shareholder*)

(*as per Company records)

ROUTE MAP



IF UNDELIVERED, PLEASE RETURN TO:

**NITU TRADING COMPANY LIMITED
42/1, BOWBAZAR STREET
3RD FLOOR, KOLKATA- 700 012
PHONE NO.: 09883912346
E-MAIL ID: nitutrading83@gmail.com**