

# **ANNUAL REPORT**

**2016-2017**

**ELEGANT FLORICULTURE**

**&**

**AGROTECH (INDIA) LIMITED**

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	:	1. Mr. Pawan Kumar Agarwal 2. Mr. Rajkumar Agarwal 3. Mrs. Neha Agarwal 4. Mr. Sheoram Agarwal 5. Mr. Surendra Gupta
<b>REGISTERED OFFICE</b>	:	101, Sagarika CHS Ltd, Plot No. 89, Juhu Tara Road Opp. Palm Grove Hotel, Santacruz (West), Mumbai Mumbai– 400 049.
<b>BANKERS</b>	:	IDBI Bank
<b>AUDITORS</b>	:	Jignesh Shah Chartered Accountants
<b>SECRETARIAL AUDITORS</b>	:	N. Bagaria & Associates Company Secretaries
<b>SHARE TRANSFER AGENTS:</b>		Sharex Dynamic (India) Private Limited Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072.
<b>SHARES LISTED AT</b>	:	BSE Limited

## NOTICE

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of **ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED** will be held on Friday, 29<sup>th</sup> September, 2017 at 11:00 a.m. at 101, Sagarika CHS Ltd., Plot No. 89, Juhu Tara Road, Opp. Palm Grove Hotel, Santacruz (West), Mumbai - 400 049 to transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 including the audited Balance Sheet, statement of Profit & Loss Account and the Cash Flow Statement for the year ended as on that date together with the report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Neha Ankur Agarwal (holding DIN 03520989) who retires by rotation and being eligible offers her-self for re-appointment.
3. To consider and if thought fit, to pass with or without modifications, if any the following as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the reappointment of the statutory auditors, Mr. Jignesh Shah, Chartered Accountant, Thane (Membership No. 117121), as the Statutory Auditor of the Company be and is hereby ratified by the members of the Company for the financial year 2017-18 at such remuneration as may be determined by the Board of Directors of the Company.”

### Registered Office:

101, Sagarika CHS Ltd,  
Plot No. 89, Juhu Tara Road,  
Opp. Palm Grove Hotel,  
Santacruz (West), Mumbai - 400049

Place: Mumbai  
Date: 04-09-2017

### **For and on Behalf of the Board**

**Neha Ankur Agarwal**  
**DIN 03520989**  
**Chairperson**

### NOTE:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
2. Proxies in order to be effective must be delivered at the registered office of the Company not later than forty eight hours before the meeting.
3. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards - 2 (SS-2), the

particulars of Directors proposed to be appointed/re-appointed at the Annual General Meeting is given in the Annexure to the notice.

4. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend the Annual General Meeting.
5. Route-map to the venue of the Meeting is provided in the Annual Report for the convenience of the members.
6. The Register of Members and the Share Transfer Books of the Company will be closed from 26-09-2017 to 29-09-2017 (both days inclusive).
7. Member desirous of obtaining information with respect of the accounts of the Company are requested to send queries in writing to the Company at its registered office so as to reach at least seven days before the date of Meeting.
8. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
9. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers / copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd.
10. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of Attendance Slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.
11. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH 13 duly filled in to M/s. Sharex Dynamic (India) Pvt. Ltd. at the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
12. As per the Companies Act, 2013 and rules made thereunder all documents to be sent to shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, etc. henceforth will be sent to the shareholders in electronic form, to the e-mail address provided by them and made available to us by the Depositories. The physical copies of the annual report will also be available at our Registered Office for inspection during office hours. Members are also requested to register/update their email addresses, with the depository participant (in case of shares held in dematerialized form) or with Company / M/s. Sharex

Dynamic (India) Pvt. Ltd., Registrar and Share Transfer Agent of the Company (in case of Shares held in physical form).

13. Electronic copy of the Annual Report for 2017 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017 is being sent in the permitted mode.

**14. Voting through electronic means:**

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means. The members may cast their votes using electronic voting system from a place other than the venue of the meeting (remote e-voting).
- (b) The Company has engaged the services of National Securities Depository Limited (NSDL) as agency to provide e-voting facility.
- (c) The facility for voting through ballot papers 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 vote at the Meeting through ballot papers.
- (d) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (e) The voting period begins on <September 26, 2017 (9.30 a.m.)> and ends on < September 28, 2017 (5.00 p.m.)>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <September 22, 2017>, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (f) 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 i.e. 22<sup>nd</sup> September, 2017.
- (g) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. 22<sup>nd</sup> September, 2017 only shall be entitled to avail the facility of remote e-voting and voting at meeting through ballot paper.
- (h) M/s. N. Bagaria & Associates, Practicing Company Secretaries, Mumbai, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- (i) Any person who acquire shares and become member of the Company after dispatch of the Notice of the Meeting and holding shares as on cut-off date i.e. 22<sup>nd</sup> September, 2017 may obtain User Id and password by sending request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if the member is already registered with NSDL for remote e-voting then he can use his exiting user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free no.:1800-222-990.

**(j) The instructions of e-voting are as under:**

(1) In case of members receiving e-mail:

- (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password;
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>;
- (iii) Click on Shareholder – Login;
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login;
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles;
- (vii) Select “EVEN” of Elegant Floriculture & Agrotech (India) Limited;
- (viii) Now you are ready for remote e-voting as Cast Vote page opens;
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted;
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed;
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote;
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of

the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [n\\_bagaria@hotmail.com](mailto:n_bagaria@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

(2) In case of members receiving the physical copy:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

**EVEN (Remote e-voting Event Number)    USER ID    PASSWORD/PIN**

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

- (k) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. : 1800-222-990.

- (l) Members can also update mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**ANNEXURE**

**PURSUANT TO REGULATION 26(4) AND 36(3) THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED IS FURNISHED BELOW:**

Name of Director	Mrs. Neha Ankur Agarwal
Date of Birth	05-09-1982
No. of Equity Shares held	Nil
Qualification	B.A.
Relationship with other Directors	N.A.
Nature of Expertise	Finance & Administration
Name of Companies in which he holds Directorship	1. Agroha Alloys Private Limited 2. Navprabhat Projects Private Limited
Names of Committees of the Companies of which he / she holds membership	Nil



## **DIRECTORS' REPORT**

To,  
The Members,  
**Elegant Floriculture & Agrotech (India) Limited**

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2017.

### **1. Financial Results:**

The financial results are summarized below:

	<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March 2017</b>	<b>Year ended 31<sup>st</sup> March 2016</b>
A	Total Revenue	2,41,38,913	1,66,93,836
B	Total Expenses	1,89,27,243	1,65,43,015
C	Profit/(Loss) Before Exceptional and Extraordinary Items and Tax	52,11,670	1,50,821
D	Extraordinary Items (MAT Entitlement)	0	0
E	Profit/(Loss) Before Tax	52,11,670	1,50,821
F	Tax expense		
	- Previous Year Tax	2,17,227	1,34,961
	- Current Tax	7,82,070	0
	- Deferred Tax	(50,06,215)	(1,60,534)
G	Profit/(Loss) after Tax	92,18,588	1,76,394

### **2. Financial Performance:**

During the year under review, the Company has earned Total Revenue of Rs. 2,41,38,913/- in comparison to Rs. 1,66,93,836/- during the previous year. The Company has earned net profit of Rs. 92,18,588/- in comparison of Rs. 1,76,394/- during the previous year. Your directors are hopeful of better performance in the forthcoming year. There was no change in the nature of the business of the Company during the year.

### **3. Dividend & Reserves:**

Your Directors abstain from declaring any dividend for the year no amount of profit was transferred to General Reserve.

### **4. Management Discussion & Analysis:**

Management Discussion & Analysis report is being given under Corporate Governance Report. There are no material changes between the end of the financial year and the date of the report which may affect the financial position of the Company.

### **5. Listing With Stock Exchanges:**

At Present, the Equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE Ltd.). Due to certain unavoidable circumstances, there were some delays in

submission of the quarterly results on the part of the Company to the BSE and due the the said non-compliance trading in the shares of the Company on BSE is suspended w.e.f. 01.12.2014.

**6. Dematerialization of Shares:**

90.57% of the Company's paid up Equity Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2017 and balance 9.43% is in physical form. The Company's Registrar and Transfer Agent are Sharex Dynamic (India) Pvt. Ltd. having their registered office at Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072.

**7. Internal Financial Controls:**

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

**8. Finance & Accounts:**

The Company is having adequate resources at its disposal to meet its business requirements and for efficient conduct of business. The Company has not raised any funds by issue of any securities during the year.

Your Company prepares its financial statements in compliance with the requirements of Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to financial statements are made on prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs and profit for the year ended 31<sup>st</sup> March, 2017.

**9. Subsidiaries, Joint Ventures and Associates Companies:**

The Company does not have any Subsidiary/ Joint Ventures/ Associate Companies.

**10. Deposits:**

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

**11. Statutory Auditors:**

- (a) As regards remarks of Statutory Auditors about non-compliance of the provisions of section 185 and 186(7) we hereby clarify that advances made to parties were for a short period of time and temporary and not in nature of loan.
- (b) In the Annual General Meeting of F. Y. 2013-14 held on 30-09-2014, the Company has appointed Mr. Jignesh Shah, Chartered Accountant as Statutory Auditors for the period of four years subject to the ratification by the members in every Annual General Meeting. In compliance to the provisions of Section 139 of the Companies Act, 2013,

the appointment of the statutory auditors is to be ratified by the members at the forthcoming Annual General Meeting. Mr. Jignesh Shah, Chartered Accountants have given their consent for re-appointment. The members will be required to ratify the appointment of Auditors for the current financial year and fix their remuneration.

**12. Secretarial Auditors:**

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. N. Bagaria & Associates, Practicing Company Secretaries have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditor is annexed as “Annexure A” to this report. As regards remarks of the Secretarial Auditors we hereby clarify as under:

- (a) The Company is in the process of appointing a qualified Company Secretary and has already started looking after the proper candidate to be appointed as Company Secretary.
- (b) As regards non-compliance of the provisions of section 185 and 186(7) we hereby clarify that advances made to parties were for a short period of time and temporary and not in nature of loan.

**13. Internal Auditors:**

In terms of Section 138 of the Act and Rules made there under, M/s. S. H. Garg & Associates, Chartered Accountants, Navi Mumbai has been appointed as Internal Auditors of the Company.

**14. Extract of the Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as “Annexure B”.

**15. Particulars Regarding Conservation of Energy, Technology Absorption:**

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 requires disclosure of the particulars regarding conservation of Energy and Technology absorption. The Company not being a manufacturing Company, the same is therefore not applicable to it.

**16. Foreign Exchange Earnings / Outgo:**

During the year under review, the Company has earned Rs. 30,34,702/- in foreign exchange and has not incurred any expenditure in foreign exchange.

**17. Corporate Social Responsibility (CSR):**

The Company does not fall under the prescribed class of companies' u/s 135(2) of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014. Hence CSR is not applicable to the Company.

**18. Human Resources:**

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**19. Remuneration Details of Directors and Employees**

During the year no remuneration and sitting fees are paid to any of the Directors of the Company. Therefore reporting under provision of Section 197 of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required.

**20. Meetings of the Board:**

The Board of Directors duly met 6 times during the financial year, the details of the same are being given in the Corporate Governance Report.

**21. Directors and Key Managerial Personnel:****(i) Appointment of Directors retiring by rotation:**

Mrs. Neha Ankur Agarwal (holding DIN 03520989), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Brief profile of the Directors proposed to be re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are part of the Notice convening the Annual General Meeting.

**(ii) Declaration by Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**22. Vigil Mechanism:**

In order to ensure that activities of Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the Company has adopted a vigil mechanism policy.

**23. Nomination and Remuneration Policy:**

The Nomination & Remuneration Committee of the Board of Directors has adopted a policy which deals with the manner of selection and appointment of Directors, Senior Management and their remuneration. The policy is in compliance with the provisions of Section 178(3) of the Companies Act, 2013.

**24. Particulars of Loans, Guarantees or Investments:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**25. Related Party Transactions:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties are on an arm's length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required. Details of transactions with related parties are given in the Notes to the Financial Statements.

**26. Risk Management:**

The Company has adequate internal controls in place at various functional levels and does not foresee any major risk such as financial, credit, legal, regulatory and other risk keeping in view the nature and size of its business.

**27. Safety:**

During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**28. Significant and Material Orders Passed by the Regulators or Courts:**

There are no significant and material orders passed by Regulators/Courts that would impact the going concern status of the Company and its future operations.

**29. Material changes and commitment:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates on the date of this report.

**30. Board Evaluation:**

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

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

### **31. Audit Committee:**

The Audit Committee is comprised of three directors. The composition of the Audit Committee is as follows:-

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Shri Surendra Gupta	Chairman	Non-Executive Independent Director
Dr. Sheoram Agarwal	Member	Non-Executive Independent Director
Shri Pawan Kumar Agarwal	Member	Executive

All the recommendations made by the Audit Committee were accepted by the Board.

### **32. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee is comprised of three directors. The composition of the Remuneration Committee is as follows:-

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Shri Surendra Gupta	Chairman	Non-Executive Independent Director
Dr. Sheoram Agarwal	Member	Non-Executive Independent Director
Smt. Neha Agarwal	Member	Non-Executive

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

### **33. Corporate Governance:**

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking

ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that our company affairs are managed in fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

A report on a Corporate Governance and a certificate from the statutory auditor of the Company regarding compliances of conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations is appended as annexure to this report.

**34. Share Capital:**

**A) Buy Back of Securities:**

The Company has not bought back any of its securities during the year under review.

**B) Sweat Equity:**

The Company has not issued any Sweat Equity Shares during the year under review.

**C) Bonus Shares:**

No Bonus Shares were issued during the year under review.

**D) Employees Stock Option Plan:**

The Company has not provided any stock option plan during the year under review.

**35. Directors Responsibility Statement:**

According to the provisions of section 134(3)(c) of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the accounting policies as selected are consistently applied and made judgements and estimates that are reasonable and prudent manner so as to ensure true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and of the profit of the Company for the year ended on that date;
- c) adequate accounting records are maintained in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) financial statements have been drawn up 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 are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**36. Acknowledgment:**

Your directors take the opportunity to record their deep sense of gratitude for the valuable support and cooperation extended to the Company by its shareholders and bankers.

**Registered Office:**

101, Sagarika CHS Ltd.,  
Plot No. 89, Juhu Tara Road,  
Opp. Palm Grove Hotel,  
Santacruz (W), Mumbai - 400 049.

**Dated: 30-05-2017****For and on behalf of the Board**

**Pawan Kumar Agarwal**  
**DIN: 00127504**  
**Chairman**



## Annexure A

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

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

To,  
The Members,  
**Elegant Floriculture & Agrotech (India) Limited**  
**CIN: L01110MH1993PLC073872**  
101, Sagarika CHS Ltd,  
Plot No. 89, Juhu Tara Road,  
Opp. Palm Grove Hotel,  
Santacruz (West), Mumbai - 400049.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** ("Audit 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**;
- (vi) On the basis of information and explanations given to us and representation made by the management, we are of the opinion that no other Acts, Laws and Regulations are applicable specifically to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

1. Non-appointment of Whole-Time Company Secretary under Section 203 of the Companies Act, 2013 Read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 and we have been explained that the Company is in the process of complying with the provisions of the Act.
2. The Company has granted loan to certain companies in which Directors of the Company are interested in contravention of Section 185 of the Companies, Act 2013.
3. The Company has granted loan in contravention of Section 186(7) of the Companies Act, 2013.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**For N. Bagaria & Associates  
Company Secretaries**

**Narottam Bagaria  
Partner**

**C. P. No. - 4361**

**Place: Mumbai**

**Dated: 30<sup>th</sup> May. 2017**

**Encl: Annexure "1" forming an integral part of this Report.**

**Annexure 1**

To,  
**Elegant Floriculture & Agrotech (India) Limited**  
**CIN: L01110MH1993PLC073872**  
101, Sagarika CHS Ltd,  
Plot No. 89, Juhu Tara Road,  
Opp. Palm Grove Hotel,  
Santacruz (West), Mumbai – 400 049.

**Our Report of even date is to be read alongwith this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis to the extent applicable to the Company.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For N. Bagaria & Associates**  
**Company Secretaries**

**Narottam Bagaria**  
**Partner**  
**C. P. No. – 4361**

**Place: Mumbai**  
**Dated: 30<sup>th</sup> May, 2017**

## Annexure B

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

## I. REGISTRATION &amp; OTHER DETAILS:

i	CIN	L01110MH1993PLC073872
ii	Registration Date	09-09-1993
iii	Name of the Company	Elegant Floriculture & Agrotech (India) Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v	Address of the Registered office & contact details	101, Sagarika CHS Ltd., Plot No. 89, Juhu Tara Road, Opp. Palm Grove Hotel, Santacruz (West), Mumbai - 400 049.
vi	Whether listed company	Yes (Listed in BSE)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dynamic (India) Pvt. Ltd., Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai - 400 072.

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main Products/ services	NIC Code of the Product /Service	% to total turnover of the Company
1	Sale of Flowers	51215	95.87%

## III. PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)

## i) Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1468167	0	1468167	7.341	1468167	0	1468167	7.341	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	16540	0	16540	0.083	16540	0	16540	0.083	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (1) :-</b>	<b>1484707</b>	<b>0</b>	<b>1484707</b>	<b>7.424</b>	<b>1484707</b>	<b>0</b>	<b>1484707</b>	<b>7.424</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0.00
b) Other Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/FI	0	0	0	0	0	0	0	0	0.00
e) Any other...	0	0	0	0	0	0	0	0	0.00
<b>SUB TOTAL (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1484707</b>	<b>0</b>	<b>1484707</b>	<b>7.424</b>	<b>1484707</b>	<b>0</b>	<b>1484707</b>	<b>7.424</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	38500	38500	0.193	0	38500	38500	0.193	0.00
b) Banks/FI	0	0	0	0	0	0	0	0.00	0.00
c) Cenntal Govt.	0	0	0	0	0	0	0	0.00	0.00
d) State Govt(s).	0	0	0	0	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
g) FIs	0	0	0	0	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1) :-</b>	<b>0</b>	<b>38500</b>	<b>38500</b>	<b>0.193</b>	<b>0</b>	<b>38500</b>	<b>38500</b>	<b>0.193</b>	<b>0</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	1531284	165800	1697084	8.485	1492691	165800	1658491	8.292	-0.193
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1504850	1474000	2978850	14.894	1515882	1473300	2989182	14.946	0.052
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	13591654	206500	13798154	68.991	13593904	206500	13800404	69.002	0.011
c) Others									
i) NRI	1505	1200	2705	0.014	8605	1200	9805	0.049	0.036
ii) Clearing Members	0	0	0	0	18911	0	18911	0.095	0.095
<b>SUB TOTAL (B)(2) :-</b>	<b>16629293</b>	<b>1847500</b>	<b>18476793</b>	<b>92.38</b>	<b>16629993</b>	<b>1846800</b>	<b>18476793</b>	<b>92.38</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>16629293</b>	<b>1886000</b>	<b>18515293</b>	<b>92.576</b>	<b>16629993</b>	<b>1885300</b>	<b>18515293</b>	<b>92.576</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>18114000</b>	<b>1886000</b>	<b>20000000</b>	<b>100.000</b>	<b>18114700</b>	<b>1885300</b>	<b>20000000</b>	<b>100.000</b>	<b>0.00</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Sajjankumar Gulraj Podar	258500	1.293	0	258500	1.293	0	0.00
2	Sumit Vijaykumar Mahajan	256193	1.281	0	256193	1.281	0	0.00
3	Rani Sajjankumar Podar	229900	1.150	0	229900	1.150	0	0.00
4	Varun Sajjankumar Podar	200000	1.000	0	200000	1.000	0	0.00
5	Pawankumar Basudev Agarwal	132860	0.664	0	132860	0.664	0	0.00
6	Basudev Durgaparthad Agarwal (Huf)	102700	0.514	0	102700	0.514	0	0.00
7	Sulochana Rajkumar Agarwal	70013	0.350	0	70013	0.350	0	0.00
8	Kalpna Pawankumar Agarwal	53845	0.269	0	53845	0.269	0	0.00
9	Sushilkanta Nareshkumar Agarwal	48910	0.245	0	48910	0.245	0	0.00
10	Nareshkumar Basudev Agarwal	44000	0.220	0	44000	0.220	0	0.00
11	Rajkumar Basudev Agarwal (Huf)	25220	0.126	0	25220	0.126	0	0.00
12	Pawankumar Basudev Agarwal (Huf)	18000	0.090	0	18000	0.090	0	0.00
13	Shree Durga Iron And Steel Co Limited	16540	0.083	0	16540	0.083	0	0.00
14	Basudev Durgaparthad Agarwal	12000	0.060	0	12000	0.060	0	0.00
15	Usha Vijaykumar Mahajan	6326	0.032	0	6326	0.032	0	0.00
16	Nareshkumar Basudev Agarwal (Huf)	5000	0.025	0	5000	0.025	0	0.00
17	Rajkumar Basudev Agarwal	4700	0.024	0	4700	0.024	0	0.00
	<b>Total</b>	<b>1484707</b>	<b>7.424</b>	<b>0.00</b>	<b>1484707</b>	<b>7.424</b>	<b>0.00</b>	<b>0.00</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sl. No.	Shareholding at the beginning of the Year	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company
	At the beginning of the year	No changes in Promoters shareholding during the year	
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	No changes in Promoters shareholding during the year	
	At the end of the year	No changes in Promoters shareholding during the year	

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at beginning/end of year		Date	Increase / (Decrease) in share holding	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of company				No. of shares	% of total shares of company
1	Harishchandra Rampratap Gupta	300000	1.50	01-04-2016 09-09-2016 31-03-2017	500000	Buy	800000 800000	4.00 4.00
2	Khattu Land And Property Traders Pvt Ltd	800000	4.00	01-04-2016 31-03-2017	-	No Change	800000	4.00
3	Amit Vijaykumar Mahajan	623765	3.12	01-04-2016 31-03-2017	-	No Change	623765	3.12
4	Neena Shivhari Garg	500000	2.50	01-04-2016 31-03-2017	-	No Change	500000	2.50
5	Aakanksha Shivhari Garg	435000	2.18	01-04-2016 31-03-2017	-	No Change	435000	2.18
6	Yashwant Bihari Kagzi Huf	400000	2.00	01-04-2016 31-03-2017	-	No Change	400000	2.00
7	Vijaykumar Agrawal	400000	2.00	01-04-2016 31-03-2017	-	No Change	400000	2.00
8	Geeta Mercantile Pvt. Ltd.	300000	1.50	01-04-2016 31-03-2017	-	No Change	300000	1.50
9	Anupkumar Virendra Gupta	300000	1.50	01-04-2016 31-03-2017	-	No Change	300000	1.50
10	Mohanlal Manakchand Singhal	300000	1.50	01-04-2016 31-03-2017	-	No Change	300000	1.50
11	Geetadevi H Gupta	500000	2.50	01-04-2016 09-09-2016 31-03-2017	-500000	Sold	0	0.00

## (v) Shareholding of Directors &amp; Key Managerial Personnel

Sl. No	For Each of the Directors & KMP	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	<b>Shareholding of Directors</b> <b>Rajkumar Basudev Agarwal</b> At the beginning of the year At the end of the year	4700 4700	0.024 0.024	4700 4700	0.024 0.024
2	<b>Pawankumar Basudev Agarwal</b> At the beginning of the year At the end of the year	132860 132860	0.664 0.664	132860 132860	0.664 0.664



**V. INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	578,82,436	-	-	578,82,436
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>578,82,436</b>	<b>-</b>	<b>-</b>	<b>578,82,436</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	30,65,991	-	-	30,65,991
Reduction	493,00,058	-	-	493,00,058
<b>Net Change</b>	<b>(462,34,067)</b>	<b>-</b>	<b>-</b>	<b>(462,34,067)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	116,48,369	-	-	116,48,369
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>116,48,369</b>	<b>-</b>	<b>-</b>	<b>116,48,369</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time directors and/or Manager:**

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of the MD/WTD/Manager</b>			<b>Total Amount</b>
<b>1.</b>	<b>Gross salary</b>	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	-as % of profit	-	-	-	-
	-others, Specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Ceiling as per the Act</b>				

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>	-	-	-	-

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	-as % of profit	-	-	-	-
	-others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	-	-

**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)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

# **ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

## **REPORT ON CORPORATE GOVERNANCE**

*(Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholder's value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization. The Company has adopted the requirement of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

The governance practices followed by your company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers and commitment in compliance with regulations and statutes in latter as well as spirit have enabled your company to enhance shareholder value.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

### **2. BOARD OF DIRECTORS:**

#### **(i) Composition of Board, Directorships and Committees position held in other Companies as at 31<sup>st</sup> March 2017.**

Directors	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As Member
Shri Rajkumar Agarwal	Executive	7	None	None
Shri Pawan Kumar Agarwal	Executive	9	None	None
Shri Surendra Gupta	*Non-Executive	1	None	None
Dr. Sheoram Agarwal	*Non-Executive	2	None	None
Smt. Neha Agarwal	Non-Executive	2	None	None

\* Also Independent

# Only three Committees viz. Audit Committee, Shareholders' Relationship Committee and Nomination and Remuneration committee are considered for this purpose

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

**(ii) Attendance of Directors in meetings held during the financial year 2016-2017.**

During the financial year 2016-17, the Board met 6 times. The meetings were held on 30-05-2016, 05-08-2016, 03-09-2016, 20-08-2016, 14-11-2016 and 14-02-2017.

Attendance of Directors in meetings held during the financial year 2016-17

Name of Directors	No. of Board Meeting attended in F.Y. 2016-2017	Attendance of Last AGM (30-09-2016)
Shri Rajkumar Agarwal	6	Yes
Shri Pawankumar Agarwal	6	Yes
Dr. Sheoram Agarwal	6	Yes
Shri Surendra Gupta	6	Yes
Smt. Neha Agarwal	6	Yes

**(iii) Disclosure of relationships between Director inter-se:**

Table given below shows the relationship between the Directors:

Name of the Directors	Category	Relationship between Directors Inter-se
Shri Rajkumar Agarwal	Promoter	Brother of Shri Pawan Kumar Agarwal
Shri Pawan Kumar Agarwal	Promoter	Brother of Shri Rajkumar Agarwal
Shri Surendra Gupta	Independent	None
Dr. Sheoram Agarwal	Independent	None
Smt. Neha Agarwal	Promoter	None

**(iv) Shareholding of Non- Executive Directors in the Company:**

The Shareholding of the Non- Executive Directors in the Company as on 31.03.2017:

Name of Directors	Category	No. of Shares held
Shri Surendra Gupta	Non-Executive Independent	NIL
Dr. Sheoram Agarwal	Non-Executive Independent	NIL
Smt. Neha Agarwal	Non-Executive	NIL

**(v) Familiarization programmes for Independent Directors:**

Every Independent Director of the Company is provided with ongoing information about the industry and the Company so as to familiarize them with the latest developments. The questionnaires are prepared considering the business of the Company.

The details of the Policy for the familiarization programmes for the Independent Directors are hosted on the website of the Company which can be accessed at the website: [www.elegantflora.in](http://www.elegantflora.in)

**3. AUDIT COMMITTEE****(i) Terms of Reference**

The Audit Committee has been mandated with the terms of reference as specified in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Part C of Schedule II of Listing Regulations.) & enumerated in Section 177 of the Companies Act, 2013 and covers all the aspects stipulated by the SEBI Guidelines.

**(ii) Composition of the Committee:**

The Audit Committee is comprised of two independent directors and one non-executive director. During the financial year ended 31.03.2017, four Audit Committee Meetings were held on 30-05-2016, 05-08-2016, 14-11-2016 and 14-02-2017.

The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meetings attended during the year 2016-17</b>
Shri Surendra Gupta	Chairman	Non-Executive Independent Director	4
Dr. Sheoram Agarwal	Member	Non-Executive Independent Director	4
Shri Pawan Kumar Agarwal	Member	Executive	4

**(iii) Invitee: (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)**

(a) The Statutory Auditors viz. M/s. Jignesh Shah, Chartered Accountant.

**(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 30<sup>th</sup> September, 2016 and provided clarifications to the members of the Company on the matters relating to accounts and finance.**

- (v) The Audit Committee comprises persons with vast experience. Shri Surendra Gupta, Chairman is a practicing Chartered Accountant. Dr. Sheoram Agarwal is a PHD holder and well known industrialist and Shri Pawan Kumar Agarwal having experience of around three decades of running business.
- (vi) An Audit Committee meeting was held on 30<sup>th</sup> May, 2016 where the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2016 were reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly / Half Yearly Unaudited Financial Results on the following dates before recommending the same to the Board.

<b>Financial Reporting</b>	<b>Date of Approval by Audit Committee</b>
Quarter ended 31 <sup>st</sup> March, 2016	30 <sup>th</sup> May, 2016
Quarter ended 30 <sup>th</sup> June, 2016	5 <sup>th</sup> August, 2016
Quarter/Half Year ended 30 <sup>th</sup> Sept. 2016	14 <sup>th</sup> November, 2016
Quarter ended 31 <sup>st</sup> December, 2016	14 <sup>th</sup> February, 2017

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

In accordance with the provisions of Section 178 of the Companies Act, 2013 and requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper constitution of Nomination and Remuneration Committee and the terms of reference before the Committee are as under:

(i) Terms of Reference

- (a) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;

The Remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The employees rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present the company retains the option to do so in future. As and when it is done it shall be revealed in the report.

(ii) Composition, Name of Members and Chairman

The Nomination and Remuneration Committee is comprised of two independent directors and one non-executive director. During the financial year ended 31.03.2017, Two Committee Meetings were held on 30-05-2016 and 05-08-2016.

The composition of the Nomination and Remuneration Committee and the attendance of each Director at their meetings are as follows:-

Name	Status	Category	No. of Meetings attended during the year 2016-17
Shri Surendra Gupta	Chairman	Non-Executive Independent Director	2
Dr. Sheoram Agarwal	Member	Non-Executive Independent Director	2
Smt. Neha Agarwal	Member	Non-Executive	2

**(iii) Performance Evaluation Criteria for Independent Directors:**

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Director. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- a) Attendance of Board and Committee Meetings;
- b) Quality of contribution to Board deliberations;
- c) Strategic perspectives or inputs regarding future growth of the Company and its performances;
- d) Providing perspectives and feedback going beyond information provided by the management.

**5. REMUNERATION OF DIRECTORS:**

None of the Directors of the Company is being paid any remuneration. Hence, disclosure of the same is not applicable to the Company.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference before the Stakeholders Relationship Committee of the Board are as under:



- (i) The Company has a 'Stakeholders Relationship Committee' to review transfer and transmission of securities, issue of duplicate certificates, share dematerialization and rematerialization, monitoring the performance of company's Registrar and Transfer Agent and deals with other Shareholder related issues.
- (ii) The Committee is chaired by Shri Surendra Gupta; The Committee met three times during the year 2016-17 on 30-05-2016 and 05-09-2016 and 14-11-2016. The Committee comprises of three Non Executive Directors, Details of composition are as under:

Name	Status	Category	No. of Meetings attended during the year 2016-17
Shri Surendra Gupta	Chairman	Non-Executive Independent Director	3
Dr. Sheoram Agarwal	Member	Non-Executive Independent Director	3
Shri Pawan Kumar Agarwal	Member	Executive	3

- (iii) Shri Rajkumar Agarwal has been designated by the Board as the 'Compliance Officer' of the Company for complying with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, Mumbai.
- (iv) Number of Shareholders' complaints received during the year : Nil  
 Number not solved to the satisfaction of the Shareholders : Nil  
 Number of pending share Transfers : Nil

## 7. GENERAL BODY MEETINGS:

- (i) Details of the last three Annual General Meetings:

AGM	Date of the meetings	Location	Time
21 <sup>st</sup>	30-09-2014	Vill: Mouje-Kashal	2.00 p.m.
22 <sup>nd</sup>	30-09-2015	Vill: Mouje-Kashal	11.00 a.m.
23 <sup>rd</sup>	30-09-2016	101, Sagrika CHS Ltd., Plot No 89, Juhu Tara Road, Opp. Palm Grove Hotel, Santacruz (West), Mumbai – 400 049.	11.00 a.m.

- (ii) **Special Resolution passed in previous three AGMs:**

AGM Date	Special Resolutions passed
30-09-2014	No Special Resolution was passed
30-09-2015	No Special Resolution was passed
30-09-2016	No Special Resolution was passed

- (iii) Postal Ballot: During the year 2016-17, there was no special resolution passed through postal ballot process. None of the business is proposed to be transacted through Postal Ballot.

#### 8. MEANS OF COMMUNICATION.

Quarterly Results	:	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one and half month of the close of the relevant quarters are sent forthwith to the Stock Exchange, Mumbai and published in the proforma as prescribed in the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Which newspaper normally published in	:	The Free Press Journal (English Newspaper) Navshakti (Marathi newspaper)
Any website where displayed	:	www.elegantflora.in
Whether it also displays official news release	:	No
Whether presentations made to institutional investors or to analyst	:	No request as such was received

#### 9. GENERAL SHAREHOLDERS INFORMATION

(i)	<b>Next AGM:</b>		
	Date	Time	Venue
	29-09-2017	11.00 a.m.	101, Sagarika CHS Ltd, Plot No. 89, Juhu Tara Road, Opp. Palm Grove Hotel, Santacruz (West). Mumbai – 400 049.
(ii)	Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March	

(iii)	Dividend Payment Date	:	Not Applicable
(iv)	Listing on Stock Exchanges	:	The Shares of the Company are listed at Bombay Stock Exchange Limited, Mumbai
(v)	Listing Fees	:	The Company is yet to pay the listing fees to the BSE Limited for the financial year 2016-17.
(vi)	<b>Stock Code</b> BSE ISIN	:	526473 INE 152E01013
(vii)	Depository Connectivity	:	National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)
(viii)	Stock Market Data	:	No data is available since no trade has taken place during the financial year 2016-17.

(ix)	Performance of the share price of the Company in comparison to the BSE Sensex:	The trading in the shares of the Company on BSE is suspended w.e.f. 01.12.2014.
(x)	<p><b>Registrar &amp; Transfer Agents:</b> The Company has appointed Sharex Dynamic (India) Pvt. Ltd. as a common agency for share registry work (both physical &amp; electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.</p> <p><b>SHAREX DYNAMIC (INDIA) PVT. LTD.</b> Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072.</p>	
(xi)	<p><b>Share Transfer System:</b> With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Registrar &amp; Transfer Agent of the Company. The shares for transfer received in physical mode are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days.</p>	

(xii) **DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2017:**

## (a) According to Category holdings

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of shares
<b>Promoters</b>				
Individual	16	0.31	1468167	7.34
Bodies Corporate	1	0.02	16540	0.08
<b>Public</b>				
Mutual Funds	3	0.06	38500	0.19
Individual/HUF	5059	98.12	16789586	83.95
Corporate Bodies	60	1.16	1658491	8.29
NRI	7	0.14	9805	0.05
Clearing Member	10	0.19	18911	0.10
Total	5156	100.00	20000000	100.00

## (b) According to Number of Equity Shares

No. of Equity Shares held	No. of Shareholders	% of shareholders	No. of shares	% of shares
1-100	1258	24.40	117197	0.59
101-200	810	15.71	160944	0.80
201-500	1749	33.92	787087	3.94
501-1000	744	14.43	653405	3.27
1001-5000	430	8.34	1005542	5.03
5001-10000	53	1.03	418818	2.09
10001-100000	55	1.07	1729365	8.65
100001 & above	57	1.11	15127642	75.64
Total	5156	100.00	20000000	100.00

(xiii)	Dematerialization of Shares and liquidity	90.57% of the Company's Equity shares are Dematerialized as on 31.03.2017
(xiv)	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not applicable
(xv)	Commodity Price risk or foreign exchange risk and hedging activities	The Company did not engage in Commodity & hedging activities during the year.
(xvi)	Plant Locations	Village Mouje – Kashal, Taluka Maval, Wadgaon, Dist.- Pune
(xvii)	Address for Correspondence	The shareholders may address their communications/ suggestions/ queries/ grievances to our share transfer agent: <b>Sharex Dynamic (India) Pvt. Ltd.</b> Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072.

#### 10. DISCLOSURES:

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large	:	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during last three years.	:	Due to certain lapses on the part of the Company, the trading in the shares of the Company on BSE is suspended w.e.f. 01.12.2014.
Details of establishment of vigil mechanism / whistle blower policy	:	The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy.
Details of compliance with mandatory requirements and adoption of non-mandatory requirements	:	The Company has complied with all mandatory requirements of Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

		The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.
Material Subsidiary	:	The Company has no material Subsidiary
Web link for policy on dealing with related party transactions	:	<a href="http://www.elegantflora.in/investors-relations.html">http://www.elegantflora.in/investors-relations.html</a>

### **11. COMPLIANCE OF THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

During the year 2016-17, the Company has complied with the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Para C of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### **12. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

### **13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the Regulations 17 to 27 and Clauses (b) to (i) sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2016-17, wherever applicable.

### **14. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/ right issues as at 31<sup>st</sup> March, 2017. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**DECLARATION – CODE OF CONDUCT**

I, Rajkumar Agarwal, Director and Chief Executive Officer of the Company, do hereby declare that all the Board members and Senior management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to requirements of para D of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**Place: Mumbai**  
**Dated: 30-05-2017.**

**Rajkumar Agarwal**  
**DIN: 00127496**  
**Director & CEO**

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE****To the members of Elegant Floriculture & Agrotech (I) Limited**

We have reviewed the compliance of conditions of Corporate Governance by Elegant Floriculture & Agrotech (I) Limited for the year ended 31<sup>st</sup> March, 2017 as stipulated in para E of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange:

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned Listing Agreement.

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

**Jignesh Shah**  
**Chartered Accountants**

Membership No. 117121

Place: Mumbai  
Dated: 30-05-2017.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Overall Review**

Floriculture or flower farming is the study of growing and marketing flowers and foliage plants. Floriculture includes cultivation of flowering and ornamental plants for direct sale or for use as raw materials in cosmetic and perfume industry and in the pharmaceutical sector. It also includes production of planting materials through seeds, cuttings, budding and grafting. Worldwide more than 140 countries are involved in commercial Floriculture. The leading flower producing country in the world is Netherlands and Germany is the biggest importer of flowers. Countries involved in the import of flowers are Netherlands, Germany, France, Italy and Japan while those involved in export are Colombia, Israel, Spain and Kenya. USA and Japan continue to be the highest consumers.

The floriculture industry in India is still at its nascent stage and a large portion of its potential remains untapped. The Indian floriculture industry has shifted from traditional flowers to cut flowers, mainly for export purposes. Modernization and the growing western cultural influences has resulted in the growth in demand for flowers amongst the consumers in India – especially the young. Apart from this, there is also a huge spurt in the demand for flowers during festivals. This growth in demand for flowers has impacted its retailing in India. The report states that in terms of rupee value, the industry has grown at a CAGR of nearly 28% in the last five years.

Currently, most of the flower cultivators entering the business seek to create a niche in the global market. Fresh flowers from India are being exported to several countries such as the USA, UK, Netherlands, Japan, Germany, etc. The credit for the growth in exports goes to the various initiatives introduced by the government. The floriculture industry has been identified as a priority sector by the government and has accorded it 100% 'export oriented unit' (EOU) status. It has also facilitated 100% foreign direct investment, encouraging joint ventures, a steady flow of capital and the establishment of state-of-the-art technologies for its cultivation, storage and transportation.

### **Industry Structure and Development**

In the recent years it has emerged as a profitable agri-business in India and worldwide has led to an increase in the demand of floriculture products in the developed as well as in the developing countries worldwide. The production and trade of floriculture has increased consistently over the last 10 years. In India, Floriculture industry comprises flower trade, production of nursery plants and potted plants, seed and bulb production, micro propagation and extraction of essential oils. Though the annual domestic demand for the flowers is growing at a tremendous rate and international demand are increasing at a very high note. India's share in international market of flowers is negligible. The country has exported 22,086.11 MT of floriculture products to the world for the worth of Rs. 54,873.96/- Lakhs in 2016-17, which is 14.46% more than the value in 2015-16.

### **Opportunities and Threats/Risk and concern**

A growing market for flowers at domestic, national and international level in which demand exceeds the supply, and the world demand is estimated to grow anywhere between 15% and 25% per annum. The high production costs in developed countries provide opportunity as



they rely largely on imports. Threats to the industry include unavailability of proper logistic partner and flowers are highly perishable, high rate of import duty on Indian cut flowers, unavailability of cold storage units at airports etc.

### **Segment-wise/Product-wise Performance**

Your Company has only one reporting segment. The revenue from operations for the year was Rs. 196.27 lakh and the profit after tax was Rs. 92.19 lakh.

### **Internal Control System**

Your Company has a planned internal control system through internal checks and reviews it periodically to strengthen it and safeguard Company's assets. Management Information System is given utmost importance.

### **Financial Performance w.r.t. Operational Performance**

During the year under review, the Company has earned total revenue of Rs. 241.39 lakh in comparison to Rs. 166.94 lakh during the previous year. The Company has earned net profit after tax of Rs. 92.19 lakh in comparison to Rs. 1.76 lakh during the previous year.

### **Safety, Health and Environment**

Your Company as a matter of policy gives greater importance to safety, health and environment and also ensures compliance with applicable legislative requirements.

### **Human Resources**

Your Company recognizes the importance of Human Resource in achieving its objectives and strategies as human resource plays an important role in the success and growth of any Company. Your company gives priority in honing and utilizing their skills through in house training programs.

### **Cautionary Statement**

The report contains forward looking statements describing expectations, estimates, plans or words with similar meaning. Your Company's actual result may differ from those projected depending on various factor. Your Company cannot guarantee that the assumptions and estimates in the forward looking statements are accurate or will be realized.

**CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION**

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

I, Pawan Kumar Agarwal, Chief Financial Officer of the Company, to the best of my knowledge and belief, certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2017 and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year ended 31<sup>st</sup> March, 2017 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I have reviewed the internal controls and procedures, and to the best of my knowledge and information, I affirm that the Company has adequate internal controls and procedures.
- (d) I have indicated to the auditors and the Audit Committee that:
  - (i) There has not been any significant changes in internal control over financial reporting during the financial year ended 31<sup>st</sup> March, 2017;
  - (ii) There has not been significant changes in the accounting policies during the financial year ended 31<sup>st</sup> March, 2017
  - (iii) I have not become aware of any significant fraud or involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai**  
**Dated: 30-05-2017**

**Pawan Kumar Agarwal**  
**DIN: 00127504**  
**CFO**

**JIGNESH SHAH**  
Chartered Accountants

C-405/406, Vishal Apt.,  
Maxus Mall Road,  
Bhayandar West,  
Thane - 401 101.

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**YEAR ENDING : 31ST MARCH, 2017**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

We have audited the accompanying financial statements of **ELEGANT FLORICULTURE & AGROTECH (I) LTD.**, which comprise the Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

- i) We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- ii) 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.
- iii) An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- iv) 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.

### **Basis for Qualified Opinion**

The Company's records states that the loan granted to a Company is prohibited as per Section 185 of Companies Act, 2013. However, the same has been received back by the Company during the year itself. The Company has given the loan in contravention to Section 186(7) of the Companies Act, 2013. This might result in attraction of penalties mentioned under the said section. The effects on Financial Statement of failure to comply the said sections have not been determined.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter prescribed in Basis for Qualified Opinion paragraph, 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 :

- i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2017;
- ii) in the case of the Statement of Profit & Loss account, of the **Profit** for the year ended on that date.
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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**JIGNESH SHAH**  
Chartered Accountants

C-405/406, Vishal Apt.,  
Maxus Mall Road,  
Bhayandar West,  
Thane - 401 101.

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**YEAR ENDING : 31ST MARCH, 2017**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**Report on Other Legal and Regulatory Requirements**

- 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 the paragraph 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that :
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act; and
  - (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) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - (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; as such the question of commenting on any material foreseeable losses thereon does not arise
    - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise
    - (iv) the Company has provided requisite disclosures in its Financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 15 to the Financial statements.

**Jignesh Shah**  
Chartered Accountants

**Membership No. : 117121**

**Place : Thane**

**Date : 30th May, 2017**

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**JIGNESH SHAH**  
Chartered Accountants

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**C-405/406, Vishal Apt.,**  
**Maxus Mall Road,**  
**Bhayandar West,**  
**Thane - 401 101.**

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**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**YEAR ENDING : 31ST MARCH, 2017**

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**ANNEXURE 'A' TO THE AUDITOR'S REPORT OF EVEN DATE**

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of Report)

- i)** In respect of fixed assets:
- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified by the management at reasonable intervals during the year, having regard to the size of the company and the nature of its assets. We are informed that no material discrepancies were noticed by the management on such verification.
  - c) The title deeds of immovable properties are held in the name of the company.
- ii)** In respect of Inventories:
- a) The physical verification of inventory has been conducted at regular intervals by the management.
  - b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company has been maintaining proper records of the inventory and no material discrepancies were noticed on physical verification as compared with the book records.
- iii)** In respect of any loans, secured or unsecured granted by the Company to other companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 :
- a) The terms and conditions of grant of loans that are prejudicial to the company's interest and the details of such parties are disclosed in Point No. 21 of Note No: 20 of financial statements attached herewith.
  - b) The receipt of the principal amount and interest are also regular as the Loans are repayable on demand basis.
  - c) As mentioned above in clause (b) the loans are repaid on demand basis hence, there is no overdue amount for more than ninety days.
- iv)** In respect of loans, investments, guarantees, and security as per provisions of section 185 and 186 of the Companies Act, 2013

In our opinion and according to the information and explanations given to us, the company has not complied with the provisions of Section 185 of the Companies Act, 2013 in respect to the transactions described in Point No. 19 of Note No. 20, Also the Company has given the Loans as mentioned Point No. 20 of Note No. 20 in contravention of the Section 186(7) of the Companies Act, 2013.

**JIGNESH SHAH**  
Chartered Accountants

**C-405/406, Vishal Apt.,**  
**Maxus Mall Road,**  
**Bhayandar West,**  
**Thane - 401 101.**

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**YEAR ENDING : 31ST MARCH, 2017**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**v)** In respect of Acceptance of Public Deposits:

- a) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013

**vi)** In respect of cost records:

- a) The maintenance of cost records u/s 148(1) of the Companies Act, 2013, is not applicable to the company.

**vii)** In respect of Payment/ Non-payment of Statutory Dues:

- a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues with the appropriate Authorities.
- b) However, according to information and explanations given to us, the following dues of income tax, sales tax, are raised and the Company has filed the appeals with the appropriate authorities.

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Appeal against Order u/s. 154	384,120	A. Y. 2009-10	Commissioner of Income-tax (Appeals)
MVAT Act, 2005	Appeal against Order u/s. 32	9,00,110	F. Y. 2008-09	Commissioner of Sales Tax (Appeals-II)

**viii)** In respect of Default of Dues of Banks / Financial Institutions / Debenture Holders:

- a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

**ix)** In respect of end use of money raised by Initial Public Offer or further Public Offer and Term Loans:

- a) According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Hence, the provisions of clause 3(ix) of the Order are not applicable to the Company.

**x)** In respect of Frauds noticed / reported:

- a) To the best of our knowledge and belief, and according to the information and explanation given to us, and the records examined by us, no frauds on or by the Company have been noticed or reported during the year.

**xi)** In respect of payment of managerial remuneration:

- a) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

**xii)** In respect of maintenance of Net Owned Fund and Deposits by Nidhi Company:

- a) Since, the Company is not a Nidhi Company the provisions of clause 3(xii) of the Order are not applicable to the Company.

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**JIGNESH SHAH**  
**Chartered Accountants**

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**C-405/406, Vishal Apt.,**  
**Maxus Mall Road,**  
**Bhayandar West,**  
**Thane - 401 101.**

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**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**YEAR ENDING : 31ST MARCH, 2017**

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**xiii)** In respect of transactions with the related parties:

- a) In our opinion and according to the information and explanations given to us, section 177 of Companies Act, 2013 is not applicable to the Company.
- b) In our opinion and according to the information and explanations given to us, the Company has not entered into related parties transactions as per the provisions of Section 188 of Companies Act, 2013.

**xiv)** In respect of Preferential Allotment or Private Placement of Shares or Debentures:

- a) According to the information and explanations given by the management, the company has not made preferential allotment or Private Placement of Shares or Debentures during the year under review, hence the provisions of Clause 3(xiv) are not applicable to the Company.

**xv)** In respect of non-cash transactions with directors or persons connected with him:

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

**xvi)** In respect registration u/s 45-IA of Reserve Bank of India Act, 1934:

- a) The Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934.

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<b>JIGNESH SHAH</b> Chartered Accountants	<b>C-405/406, Vishal Apt.,</b> <b>Maxus Mall Road,</b> <b>Bhayandar West,</b> <b>Thane - 401 101.</b>
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<b>ELEGANT FLORICULTURE &amp; AGROTECH (I) LTD.</b>	<b>YEAR ENDING : 31ST MARCH, 2017</b>
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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**ANNEXURE 'B' TO THE AUDITOR'S REPORT OF EVEN DATE**

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

We have audited the internal financial controls over financial reporting of ***ELEGANT FLORICULTURE & AGROTECH (I) LTD.***, as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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



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**JIGNESH SHAH**  
Chartered Accountants

C-405/406, Vishal Apt.,  
Maxus Mall Road,  
Bhayandar West,  
Thane - 401 101.

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**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

**YEAR ENDING : 31ST MARCH, 2017**

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

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**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Signature to Annexure 'A' & 'B'**

**Jignesh Shah**  
Chartered Accountants  
Membership No. : 117121

Place : Thane  
Date : 30th May, 2017

**JIGNESH SHAH**  
Chartered Accountants  
C-405/406, Vishal Apt.,  
Maxus Mall Road,  
Bhayandar West,  
Thane - 401 101.

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
CIN : L01110MH1993PLC073872  
102, Sagarika C. H. S. Ltd.,  
Plot No. 89, Juhu Tara Road,  
Santacruz (West),  
Mumbai- 400 049.

**BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>A EQUITY &amp; LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS :</b>			
a) Share Capital	<b>1</b>	1996,71,500	1996,71,500
b) Reserves & Surplus	<b>2</b>	159,60,869	32,45,031
c) Money received against share warrant		0	0
		2156,32,369	2029,16,531
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
		0	0
<b>3 NON - CURRENT LIABILITIES</b>			
a) Long Term Borrowings	<b>3</b>	116,48,369	85,82,378
b) Deferred Tax Liabilities (Net)		0	41,40,754
c) Other Long Term Liabilities		0	0
d) Long Term Provisions		0	0
		116,48,369	127,23,132
<b>4 CURRENT LIABILITIES</b>			
a) Short Term Borrowings	<b>4</b>	0	493,00,058
b) Trade Payables	<b>5</b>	24,08,331	2,68,891
c) Other Current Liabilities	<b>6</b>	2,58,873	85,128
d) Short Term Provisions	<b>7</b>	6,11,888	1,62,461
		32,79,092	498,16,538
Total (1+2+3+4)...		2305,59,830	2654,56,201
<b>B ASSETS</b>			
<b>1 NON - CURRENT ASSETS</b>			
a) Fixed Assets			
i) Tangible Assets	<b>8</b>	401,28,305	311,45,081
b) Non-Current Investments		0	0
c) Deferred Tax Assets (Net)		8,65,461	0
d) Long Term Loans and Advances	<b>9</b>	1179,71,915	1204,99,258
e) Other Non-Current Assets		0	0
		1589,65,681	1516,44,339
<b>2 CURRENT ASSETS</b>			
a) Current Investments		0	0
b) Inventories	<b>10</b>	6,54,460	6,54,460
c) Trade Receivables	<b>11</b>	30,34,195	19,51,369
d) Cash and Cash Equivalents	<b>12</b>	70,07,255	13,90,484
e) Short Term Loans and Advances	<b>13</b>	608,98,239	1098,15,549
f) Other Current Assets		0	0
		715,94,149	1138,11,862
Total (1+2)...		2305,59,830	2654,56,201
Notes to Accounts	<b>20</b>		

The Schedules & Notes referred to above form an integral part of the Accounts.

**As per our report of even date**

**Jignesh Shah**  
Chartered Accountants

Place : Thane  
Date : 30th May, 2017

**For Elegant Floriculture & Agrotech (I) Limited**

**D**  
**I**  
**R**  
**E (Rajkumar B. Agarwal)**  
**C DIN : 00127496**  
**T**  
**O**  
**R (Pawankumar B. Agarwal)**  
**S DIN : 00127504**

Place : Mumbai  
Date : 30th May, 2017

**JIGNESH SHAH**  
Chartered Accountants  
C-405/406, Vishal Apt.,  
Maxus Mall Road,  
Bhayandar West,  
Thane - 401 101.

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
CIN : L01110MH1993PLC073872  
102, Sagarika C. H. S. Ltd.,  
Plot No. 89, Juhu Tara Road,  
Santacruz (West),  
Mumbai- 400 049.

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

Particulars	Note No.	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>I</b> Revenue from Operations	<b>14</b>	196,27,046	154,06,056
<b>II</b> Other Income	<b>15</b>	45,11,867	12,87,780
<b>III Total Revenue (I+II)</b>		241,38,913	166,93,836
<b>IV</b> Expenses :			
a) Cost of Materials Consumed	<b>16</b>	63,96,326	81,84,123
i) Purchases of Stock-in-Trade			
ii) Change in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade			
b) Employees Benefits Expenses	<b>17</b>	16,01,714	12,50,564
c) Finance Costs	<b>18</b>	(3,67,922)	9,48,826
d) Depreciation & Amortization Expenses		43,33,304	37,20,030
e) Other Expenses	<b>19</b>	69,63,821	24,39,472
<b>Total Expenses</b>		189,27,243	165,43,015
<b>V Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>52,11,670</b>	<b>1,50,821</b>
<b>VI</b> Exceptional Items		0	0
<b>VII Profit/(Loss) Before Extraordinary Items and Tax (V-VI)</b>		52,11,670	1,50,821
<b>VII</b> Extraordinary Items		0	0
<b>IX Profit/(Loss) before tax (VII- VIII)</b>		52,11,670	1,50,821
<b>X</b> Tax Expense:			
1) Previous Year tax		2,17,227	1,34,961
2) Current tax		7,82,070	0
3) Deferred tax		(50,06,215)	(1,60,534)
<b>XI Profit/(Loss) for the period from continuing operations (IX-X-XIV)</b>		92,18,588	1,76,394
<b>XII</b> Profit/(Loss) from discontinuing operations		0	0
<b>XIII</b> Tax expense of discontinuing operations		0	0
<b>XIV Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)</b>		0	0
<b>XV Profit/(Loss) for the period (XI + XIV)</b>		92,18,588	1,76,394
<b>XVI Earnings per equity share:</b>			
1) Basic		0.46	0.01
2) Diluted		0.46	0.01
Notes to Accounts	<b>20</b>		

The Schedules & Notes referred to above form an integral part of the Accounts.

**As per our report of even date**

**Jignesh Shah**  
Chartered Accountants  
Membership No. : 117121

Place : Thane  
Date : 30th May, 2017

**For Elegant Floriculture & Agrotech (I) Limited**

**D**  
**I**  
**R**  
**E (Rajkumar B. Agarwal)**  
**C DIN : 00127496**  
**T**  
**O**  
**R (Pawankumar B. Agarwal)**  
**S DIN : 00127504**

Place : Mumbai  
Date : 30th May, 2017

<b>JIGNESH SHAH</b> <b>Chartered Accountants</b>	<b>ELEGANT FLORICULTURE &amp; AGROTECH (I) LTD.</b> <b>Mumbai- 400 049.</b>
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Particulars	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>NOTE NO. '1' :</b>		
<b>Share Capital</b>		
<u>Authorized Capital</u>		
200,00,000 (200,00,000) Equity Share of ` 10/- ( ` 10/-) each	2000,00,000	2000,00,000
	2000,00,000	2000,00,000
<u>Issued, Subscribed &amp; Paid Up Capital</u>		
200,00,000 (200,00,000) Equity Shares of ` 10/- ( ` 10/-) each fully paid up	2000,00,000	2000,00,000
Less : Calls unpaid by other than Directors	(3,28,500)	(3,28,500)
	1996,71,500	1996,71,500
<b>NOTE NO. '2' :</b>		
<b>Reserves &amp; Surplus</b>		
a) <u>Capital Reserve</u>		
Opening Balance	26,58,179	26,58,179
Add : Current Year Transfer	34,97,250	0
Less : Written Back in Current Year	0	0
Closing Balance.....(a)	61,55,429	26,58,179
b) <u>Surplus</u>		
Opening Balance	5,86,852	4,10,458
(+) Net Profit/(Net Loss) For the current year	92,18,588	1,76,394
(+) Transfer from Reserves	0	0
(-) Proposed Dividends	0	0
(-) Interim Dividends	0	0
(-) Transfer to Reserves	0	0
Closing Balance.....(b)	98,05,440	5,86,852
Total.....(a) + (b)	159,60,869	32,45,031
<b>NOTE NO.'3' :</b>		
<b>Long Term Borrowings</b>		
<b>1) Secured</b>		
<b>Term Loan</b>		
a) From Bank of Maharashtra (Secured against Hypothecation of Standing Crop, Equipment & Other Movable Assets, Agricultural Land in Gate no. 358 admeasuring 4.91 and Personal Guarantee of one of the Directors of the Company)	0	26,98,850
b) From Bank of Maharashtra (Secured against Hypothecation of stocks including cut flowers, mother plants, pesticides, fertilizers, shed, drip irrigation set etc. and additional mortgage of agricultural land)	35,49,807	58,83,528
c) From Bank of Maharashtra (Secured against Hypothecation of mother plants, cut roses, pesticides, fertilizers and other movable assets created out of term loan and Collateral Securities as additional mortgage of agricultural land, )	80,98,562	0
Total.....(1)	116,48,369	85,82,378
<b>2) Unsecured</b>		
Total.....(2)	0	0
Total.....(1) + (2)	116,48,369	85,82,378

**JIGNESH SHAH**  
Chartered Accountants

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
Mumbai- 400 049.

Particulars	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>NOTE NO. '4' :</b>		
<b><u>Short Term Borrowings</u></b>		
<b>1) Secured</b>		
From Union Bank of India	0	493,00,058
Total.....(1)	0	493,00,058
<b>2) Unsecured</b>		
Total.....(2)	0	0
Total.....(1) + (2)	0	493,00,058
<b>NOTE NO. '5' :</b>		
<b><u>Trade Payables</u></b>		
Sundry Creditors	24,08,331	2,68,891
	24,08,331	2,68,891
<b>NOTE NO. '6' :</b>		
<b><u>Other Current Liabilities</u></b>		
<b><u>Other Payables</u></b>		
i) T. D. S. Payable on Legal & Professional Fess	21,903	44,406
ii) T. D. S. Payable to Contractors & Sub-Contractors	19,483	2,375
iii) T. D. S. Payable on Interest	26,834	0
iv) T. D. S. Payable on Commission	20,275	0
v) Profession-tax (Staff)	2,200	2,425
vi) Interest Payable on Service Tax	0	0
vii) Salary Payable	1,67,266	15,512
viii) Service Tax Payable	0	20,410
ix) Interest Payable on TDS	912	0
	2,58,873	85,128
<b>NOTE NO. '7' :</b>		
<b><u>Short Term Provisions</u></b>		
i) Provision for Income-tax A. Y. 2014-15	1,34,961	1,34,961
ii) Provision for Income-tax A. Y. 2016-17	0	27,500
iii) Provision for Income-tax A. Y. 2017-18	4,76,927	0
	6,11,888	1,62,461

JIGNESH SHAH  
Chartered Accountants

ELEGANT FLORICULTURE & AGROTECH (I) LTD.  
Mumbai- 400 049.

**NOTE NO. '8' :**

**Depreciation Chart as per Straight Line Method (in the books of accounts) for the year ended on 31/03/2017**

Amount in ₹

Disclosure pursuant to Note No. 6(I)(i), 6(I)(ii) and 6(I)(iii); Note no. J(i), J(ii) and J(iii); of Part I of Schedule VI to the Companies Act, 1956

Sr. No.	Name of the Assets	Rate (%)	Gross Block				Accumulated Depreciation				Net Block	
			Gross Value as on 01/04/2016	Addition during the year	Disposals during the year	Gross Value as on 31/03/2017	Op. Balance as on 01/04/2016	Depreciation during the year	On Disposals during the year	Balance as on 31/03/2017	Balance as on 01/04/2016	Balance as on 31/03/2017
<b>(A)</b>	<b>Tangible Assets</b>											
1	Land	0.00	494,167	0	0	494,167	0	0	0	0	494,167	494,167
2	Building	1.63	10,813,944	617,380	0	11,431,324	2,432,364	186,331	0	2,618,695	8,381,580	8,812,629
3	Plant & Machinery	4.75	57,759,186	12,337,211	0	70,096,397	40,559,306	3,329,579	0	43,888,885	17,199,880	26,207,512
4	Furniture & Fixtures	6.33	67,836	0	0	67,836	45,789	4,294	0	50,083	22,047	17,753
5	Planting Material	4.75	7,878,143	0	0	7,878,143	6,546,133	374,212	0	6,920,345	1,332,010	957,798
6	Motor Car	7.07	1,028,971	0	0	1,028,971	509,236	72,748	0	581,984	519,735	446,987
7	Tools & Equipment	4.75	399,271	0	0	399,271	222,109	18,965	0	241,074	177,162	158,197
8	Two wheeler ( Scooter)	7.07	79,800	0	0	79,800	32,324	5,642	0	37,966	47,476	41,834
9	Electrical Instrument	4.75	3,009,450	122,846	0	3,132,296	2,470,861	148,784	0	2,619,645	538,589	512,651
10	Computers	16.21	64,900	0	0	64,900	32,405	10,520	0	42,925	32,495	21,975
11	Cold Storage Unit	4.75	1,619,820	239,091	0	1,858,911	278,031	88,299	0	366,330	1,341,789	1,492,581
12	Refrigerated Van	7.07	891,876	0	0	891,876	441,392	63,056	0	504,448	450,484	387,428
13	Electronic Equipments	4.75	118,620	0	0	118,620	17,088	5,634	0	22,722	101,532	95,898
14	Generator Set	4.75	531,375	0	0	531,375	25240	25,240	0	50,480	506,135	480,895
	<b>SUB TOTAL....I</b>		<b>84,757,359</b>	<b>13,316,528</b>	<b>0</b>	<b>98,073,887</b>	<b>53,612,278</b>	<b>4,333,304</b>	<b>0</b>	<b>57,945,582</b>	<b>31,145,081</b>	<b>40,128,305</b>
<b>(B)</b>	<b>Intangible Assets</b>		0	0	0	0	0	0	0	0	0	0
	<b>SUB TOTAL....II</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(C)</b>	<b>Capital Work In Progress</b>		0	0	0	0	0	0	0	0	0	0
	<b>SUB TOTAL....III</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(D)</b>	<b>Intangible assets under Development</b>		0	0	0	0	0	0	0	0	0	0
	<b>SUB TOTAL....IV</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL (I+II+III+IV)</b>		<b>84,757,359</b>	<b>13,316,528</b>	<b>0</b>	<b>98,073,887</b>	<b>53,612,278</b>	<b>4,333,304</b>	<b>0</b>	<b>57,945,582</b>	<b>31,145,081</b>	<b>40,128,305</b>
	<b>PREVIOUS YEAR TOTAL</b>		<b>81,073,153</b>	<b>3,684,206</b>	<b>0</b>	<b>84,757,359</b>	<b>49,892,248</b>	<b>3,720,030</b>	<b>0</b>	<b>53,612,278</b>	<b>31,180,905</b>	<b>31,145,081</b>

**JIGNESH SHAH** **ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
**Chartered Accountants** **Mumbai- 400 049.**

Particulars	Current Year 31/03/2017 ( )	Previous Year 31/03/2016 ( )
<b>NOTE NO. '9' :</b>		
<b><u>Long-Term Loans and Advances</u></b>		
A) <u>Security Deposits</u>		
1) Secured, considered good	0	0
2) Unsecured, considered good	0	0
3) Doubtful	0	0
4) Less: Provision for doubtful advances	0	0
Total.....(A)	0	0
B) <u>Other Loans and Advances</u>		
1) Secured, considered good	0	0
2) <u>Unsecured, considered good</u>		
i) Advances recoverable in cash or kind for value to be received.	1169,25,264	1191,47,464
3) Sundry Deposits	13,500	13,500
4) Sales Tax Appeal	3,00,000	3,00,000
5) MAT Entitlement	7,33,151	10,38,294
6) Doubtful	0	0
7) Less : Provision for Doubtful	0	0
Total.....(B)	1179,71,915	1204,99,258
Total.....(A) + (B)	1179,71,915	1204,99,258
<b>NOTE NO. '10' :</b>		
<b><u>Inventories</u></b>		
a) Closing Stock of Shares	6,54,460	6,54,460
	6,54,460	6,54,460

**JIGNESH SHAH**  
Chartered Accountants

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
Mumbai- 400 049.

Particulars	Current Year 31/03/2017 ( <sup>₹</sup> )	Previous Year 31/03/2016 ( <sup>₹</sup> )
<b>NOTE NO. '11' :</b>		
<b>Trade Receivables</b>		
a) Trade Receivables outstanding for a period less than six months from the date they are due for payment		
1) Secured, considered good	0	0
2) Unsecured, considered good	28,13,569	18,03,149
3) Unsecured, considered doubtful	0	0
4) Less: Provision for doubtful debts	0	0
Total.....(A)	28,13,569	18,03,149
b) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
1) Secured, considered good	0	0
2) Unsecured, considered good	2,20,626	1,48,220
3) Unsecured, considered doubtful	0	0
4) Less: Provision for doubtful debts	0	0
Total.....(B)	2,20,626	1,48,220
Total.....(A) + (B)	30,34,195	19,51,369
<b>NOTE NO. '12' :</b>		
<b>Cash and Cash Equivalents</b>		
A) <u>Balances with banks</u>		
Balance in Current Accounts	10,63,723	11,99,045
Balance in Fixed Deposit	58,57,372	0
B) Cash on hand	86,160	1,91,439
	70,07,255	13,90,484



**JIGNESH SHAH**  
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**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
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Particulars	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>NOTE NO. '13' :</b>		
<b><u>Short-Term Loans and Advances</u></b>		
A) <u>To Related Parties</u>		
1) Secured, Considered Good	0	0
2) Unsecured, Considered Good	203,89,576	621,39,366
3) Doubtful	0	0
4) Less : Provision for Doubtful Loans & Advances	0	0
Total.....(A)	203,89,576	621,39,366
B) <u>Others</u>		
1) Secured, considered good	0	0
2) <u>Unsecured, considered good</u>		
a) Income-tax Paid	10,08,475	6,84,781
b) Vat Refundable	8,09,884	4,20,438
c) Prepaid Insurance	18,504	13,963
d) Advances to Creditors	16,200	30,82,810
e) Other than Related Parties	386,55,600	434,74,191
3) Doubtful	0	0
4) Less : Provision for Doubtful Loans & Advances	0	0
Total.....(B)	405,08,663	476,76,183
Total.....(A) + (B)	608,98,239	1098,15,549
<b>NOTE NO. '14' :</b>		
<b><u>Revenue From Operation</u></b>		
a) Sale of Flowers	157,81,352	110,13,765
b) Sale of Flowers (Export)	30,34,702	2,52,252
c) Sale of Services	8,10,992	19,36,789
d) <u>Other Operating Revenues</u>		
Sales of Shares	0	22,03,250
	196,27,046	154,06,056

**JIGNESH SHAH**  
Chartered Accountants

**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
Mumbai- 400 049.

Particulars	Current Year 31/03/2017 ( <sup>₹</sup> )	Previous Year 31/03/2016 ( <sup>₹</sup> )
<b>NOTE NO. '15' :</b>		
<b><u>Other Income</u></b>		
a) <u>Interest Income</u>		
Bank Interest on FDR	1,46,624	0
Other Interest	39,54,708	11,29,643
b) Dividend	0	6,500
c) Discount Received	3,351	0
d) Other Non-Operating Income (Net of expenses directly attributable to such income)		
i) Set-off of VAT	3,89,446	37,915
ii) Interest on Income Tax Refund	17,738	0
iii) DEPB Entitlement Account	0	1,13,722
	45,11,867	12,87,780
<b>NOTE NO. '16' :</b>		
<b><u>Cost of Materials Consumed</u></b>		
1) Opening Stock of Flowers	0	0
Purchases of Flowers	2,24,595	4,35,438
	2,24,595	4,35,438
Less: Closing Stock of Flowers	0	0
Total.....	2,24,595	4,35,438
2) Opening Stock of Shares	6,54,460	52,52,910
Purchases of Shares	0	0
	6,54,460	52,52,910
Less: Closing Stock of Shares	6,54,460	6,54,460
Total.....	0	45,98,450
3) Consumable Stores	4,46,178	11,88,053
4) Wages & Labour	26,60,981	16,01,046
5) Packing Charges	5,91,310	2,42,629
6) T.O. Paid on Shares	0	65
7) Commission Paid	4,05,496	0
8) Repairs & Maintenance (Plant & Machinery)	1,49,867	33,276
9) Chemicals & Fertilizers	19,17,899	85,166
	63,96,326	81,84,123
<b>NOTE NO. '17' :</b>		
<b><u>Employee Benefits Expense</u></b>		
a) Salaries and Incentives	14,69,734	11,25,220
b) Staff Welfare Expenses	48,055	53,132
c) Bonus to Staff	76,050	68,637
d) Leave Wages	7,875	3,575
	16,01,714	12,50,564
<b>NOTE NO. '18' :</b>		
<b><u>Finance Costs</u></b>		
a) <u>Interest Expenses</u>		
Bank Interest	10,30,645	9,48,826
Other Interest	2,68,337	0
b) Foreign Exchange Fluctuation	(19,10,904)	0
c) <u>Other Borrowing Costs</u>		
Loan Processing Fees	2,44,000	0
	(3,67,922)	9,48,826

**JIGNESH SHAH**  
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**ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
Mumbai- 400 049.

Particulars	Current Year 31/03/2017 (₹)	Previous Year 31/03/2016 (₹)
<b>NOTE NO '19'</b>		
<b><u>Other Expenses</u></b>		
i) Payment to Auditor	30,000	30,000
ii) <u>Repairs &amp; Maintenance</u>		
1) Building	2,15,122	54,477
2) Others	23,176	1,24,590
iii) Insurance Charges	23,819	60,405
iv) <u>Rates &amp; Taxes</u>		
1) Interest on TDS	1,094	135
2) Professional Tax (Company)	2,500	2,500
3) Service Tax Expenses	35,181	2,40,994
4) Stamp Duty Paid	22,420	0
5) Interest on Service Tax	0	160
6) Service Tax Paid on Shares	0	485
7) Stamp Duty Paid on Shares	0	221
8) Others	0	4,746
v) <u>Misc. Expenses</u>		
1) Advertisement Expenses	1,871	0
2) Annual Fees	1,37,400	1,03,050
3) Annual General Meeting Expenses	17,248	29,757
4) Bank Charges	25,437	13,627
5) Bad Debts	8,91,619	0
6) Business Promotion	7,463	48,675
7) Clearing & Forwarding Charges	11,87,573	1,18,756
8) Conveyance Expenses	52,413	37,599
9) Commission Expenses on Sales	5,81,138	0
10) Demat Charges	1,145	1,432
11) Discount Given	2,60,894	0
12) Electricity Expenses	46,983	38,448
13) Export expenses	19,63,668	0
14) Filing Fees	23,540	39,883
15) Legal & Professional Charges	4,17,912	7,27,489
16) Miscellaneous Expenses	6,885	11,626
17) Postage & Stamp	9,660	5,130
18) Printing & Stationery Expenses	20,239	14,885
19) Rent Paid	0	35,172
20) STT Paid	0	2,207
21) Tax Audit fees	0	33,240
22) Telephone Expenses	38,038	32,194
23) Testing Charges	5,400	0
24) Transportation Charges	6,33,850	3,57,886
25) Travelling Expenses	13,410	9,045
26) Vehicle Expenses	2,03,293	1,90,102
27) VAT Audit Fees	25,076	13,411
28) Water Charges	3,500	54,445
29) Duties & taxes	34,854	2,700
	<b>69,63,821</b>	<b>24,39,472</b>

JIGNESH SHAH

ELEGANT FLORICULTURE &amp; AGROTECH (I) LTD.

Chartered Accountants

Mumbai- 400 049.

NOTE '20'NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017

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

	Particulars	31/03/2017 ₹ (In Lacs)	31/03/2016 ₹ (In Lacs)
<b>A.</b>	<b>Cash Flow from Operating Activities :</b>		
	Net Profit After Tax and Extraordinary items	92.19	1.76
	<u>Add:</u> Depreciation	43.33	37.20
	Deferred Tax Liability/ (Asset) during the year	(50.06)	(1.61)
	Provision for Income-tax during the year	7.82	0
	Income-tax Previous Year	2.17	1.35
	<u>Add:</u> Interest Paid	12.99	9.49
	Loan Processing Charges	2.44	0
	<u>Less: Items considered separately</u>		
	Dividend Received	0	(0.07)
	Interest Received	(41.01)	(11.30)
	<b>Operating Profit before Working Capital Changes</b>	<b>69.87</b>	<b>36.82</b>
	<b><u>Changes in Working Capital</u></b>		
	<u>Changes in Current Assets</u>		
	Increase in Sundry Debtors	(10.83)	6.45
	Decrease in Closing Stock	0	45.98
	Increase in Short Term Loans & Advances	491.37	(568.47)
	<u>Changes in Current Liabilities</u>		
	Increase in Sundry Creditors	21.39	(14.18)
	Increase in Other Current Liabilities	1.74	0.53
	Net Changes in Working Capital	503.67	(529.69)
	Cash Flow from Operating Activities	573.54	(492.87)
	<u>Less: Taxes Paid</u>	(4.37)	(2.82)
	<b>Net Cash Flow from Operating Activities</b>	<b>569.18</b>	<b>(495.70)</b>
<b>B.</b>	<b>Cash Flow from Investment Activities :</b>		
	Purchase of Fixed Assets	(133.17)	(36.84)
	(Increase) / Decrease in Loans & Advances	21.94	45.92
	Dividend Received	0	0.07
	Interest Received	41.01	11.30
	<b>Net Cash Flow from Investment Activities</b>	<b>(70.21)</b>	<b>20.45</b>
<b>C.</b>	<b>Cash Flow from Financing Activities :</b>		
	Subsidy received	34.97	0
	Proceeds from Long Term Borrowings	30.66	(1.70)
	Proceeds from Short Term Borrowings	(493.00)	493.00
	Loan Processing Charges	(2.44)	0
	Interest Paid	(12.99)	(9.49)
	<b>Net Cash Flow from Financing Activities</b>	<b>(442.80)</b>	<b>481.81</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>56.17</b>	<b>6.56</b>
	Cash & Cash Equivalents as at 31st March, 2016	13.90	7.34
	<b>Cash &amp; Cash Equivalents as at 31st March, 2017</b>	<b>70.07</b>	<b>13.90</b>

**JIGNESH SHAH** **ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
**Chartered Accountants** **Mumbai- 400 049.**

**NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017****1) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013**

Particular	CURRENT YEAR			
	Equity Shares		Preference Shares	
	Number		Number	
Shares outstanding at the beginning of the year	200,00,000	2000,00,000	0	0
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	200,00,000	2000,00,000	0	0

Particular	PRECEEDING YEAR			
	Equity Shares		Preference Shares	
	Number		Number	
Shares outstanding at the beginning of the year	200,00,000	2000,00,000	0	0
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	200,00,000	2000,00,000	0	0

**2) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 (if more than 5%)**

There are no shareholders in the company who holds more than 5% shares of the company during the year

**3) Disclosure pursuant to Note no. 6(T) of Part I of Schedule III to the Companies Act, 2013**

Contingent liabilities and commitments (to the extent not provided for)	As at 31/03/2017	As at 31/03/2016
<b>i) Contingent Liabilities</b>		
a) Claims against the company not acknowledged as debt	0	0
b) Guarantees	0	0
c) Other money for which the company is contingently liable	0	0
Total.....(i)	0	0
<b>ii) Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0	0
b) Uncalled liability on shares and other investments partly paid	0	0
c) Other commitments	0	0
Total.....(ii)	0	0
<b>TOTAL . . . (i) + (ii)</b>	<b>0</b>	<b>0</b>

**4) Disclosure pursuant to Note no. 6(W) of Part I of Schedule III to the Companies Act, 2013**

In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

**JIGNESH SHAH** **ELEGANT FLORICULTURE & AGROTECH (I) LTD.**  
**Chartered Accountants** **Mumbai- 400 049.**

**NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017****6) Disclosure pursuant to Note no. 5(i)(j) of Part II of Schedule III to the Companies Act, 2013**

Payments to the auditor as	Current Year 31/03/2017	Previous Year 31/03/2016
a) Auditor	30,000	30,000
b) for taxation matters	0	0
c) for company law matters	0	0
d) for management services	0	0
e) for other services	0	0
<b>TOTAL</b>	<b>30,000</b>	<b>30,000</b>

**7) Additional information pursuant to the point no. 5(viii) of the General Instruction for preparation of Statement of Profit and Loss of Part II of Schedule III of the Companies Act, 2013**

Expenditure/Income in Foreign Currency	Current Year 31/03/2017	Previous Year 31/03/2016
Expenditure in Foreign Currency	0	0
Income in Foreign Currency	30,34,702	2,52,252

**8) Significant Accounting Policies :-**

(A) The Company generally follows mercantile method of accounting except the following which are accounted on cash basis.

- i) Gratuity and incentives to employees
- ii) Income from investment
- iii) Claims and interest due on overdue bills.
- iv) Closing Stock valued at cost.

(B) Depreciation on fixed assets have been provided on straight line method as per schedule XIV of the Companies Act, 1956, on Single Shift Basis.

**9) In the opinion of the Board of Directors, the current assets, loans and advances have a value which on realization in the ordinary course of Business would be at least equal to the amount stated in the Balance Sheet.****10) Figures in brackets represent the figures of the previous year and have been regrouped / rearranged wherever necessary.****11) Pursuant to compliance of Accounting Standard (AS) 20 "Earnings per Share", the relevant information is provided here below :**

	Particulars	Amount (₹)
a)	Net Profit / (Loss) after tax as per Profit & Loss A/c	92,18,588
b)	No. of Equity shares of ₹ 10/- during the year	200,00,000
c)	Earnings/(Loss) per equity share of ₹ 10/- Each Basic/Diluted (1)/(2) (EPS)	0.46

**12) Quantitative details of Cut Flowers**

Opening Stock, Purchases, Sales & Closing Stock (Flowers)				
Particulars	Current Year Quantity (Nos.)	Previous Year Quantity (Nos.)	Current Year (₹)	Previous Year (₹)
Opening Stock	0	0	0	0
Purchases	92,306	71,039	2,24,595	4,35,438
Production	48,74,221	22,62,252	N.A	N.A
Sales	49,66,527	23,33,291	188,16,054	112,66,017
Closing Stock	0	0	0	0

<b>JIGNESH SHAH</b> <b>Chartered Accountants</b>	<b>ELEGANT FLORICULTURE &amp; AGROTECH (I) LTD.</b> <b>Mumbai- 400 049.</b>
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**NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

- 13)** The Sales-tax Department has raised the demand of ` 9,00,110/- on the company for the F. Y. 2008-09. The company filed an appeal against the said order and paid ` 3,00,000/- as part payment.
- 14)** The Income-tax Department has raised the demand of ` 3,84,120/- on the company for the F. Y. 2008-09. The company filed an appeal against the order u/s. 154 with the Commissioner of Income-tax.
- 15)** Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is provided below:

[INR Amount]

Particulars	SBNs [*]	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	18,32,000	2,41,810	20,73,810
[+] Permitted receipts	0	5,93,255	5,93,255
[-] Permitted payments	0	3,13,990	3,13,990
[-] Amount deposited in Banks	18,32,000	15,650	18,47,650
Closing cash in Hand as on 30.12.2016	0	5,05,425	5,05,425

**[\*]** for the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs Number S. O. 3407(E), dated the 8th November, 2016.

The said notification, defines the term as "*bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees*"

**JIGNESH SHAH****ELEGANT FLORICULTURE & AGROTECH (I) LTD.****Chartered Accountants****Mumbai- 400 049.****NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

- 16) Pursuant to compliance of Accounting Standard (AS) 17 regarding "Segment Reporting" the relevant information is provided here below:

Amount in ₹

Particulars	Floriculture	Brokerage & Commission	Trading in Shares	Interest from Fin. Act.	Total
<b>Revenue</b>					
Local Sales	15,781,352	810,992	0	3,972,446	20,564,790
Export	3,034,702	0	0	0	3,034,702
<b>Total Sales</b>	<b>18,816,054</b>	<b>810,992</b>	<b>0</b>	<b>3,972,446</b>	<b>23,599,492</b>
<b>Other Income</b>					
Interest on FD	146,624	0	0	0	146,624
Vat Refundable	389,446	0	0	0	389,446
Closing Stock of Shares	0	0	654,460	0	654,460
DEPB Entitlement	0	0	0	0	0
Discount Received	3,351	0	0	0	3,351
Dividend Received	0	0	0	0	0
<b>Total Revenue</b>	<b>19,355,475</b>	<b>810,992</b>	<b>654,460</b>	<b>3,972,446</b>	<b>24,793,373</b>
<b>Expenditure</b>					
Opening Stock	0	0	654,460	0	654,460
Purchases	224,595	0	0	0	224,595
Consumable Stores	446,178	0	0	0	446,178
Wages & Labour	2,660,981	0	0	0	2,660,981
Packing Charges	591,310	0	0	0	591,310
Repairs (Plant & Machinery)	149,867	0	0	0	149,867
Chemicals & Fertilizers	1,917,899	0	0	0	1,917,899
Commission Paid	0	405,496	0	0	405,496
Employee Benefit Expenses	1,314,344	122,665	0	164,705	1,601,714
Depreciation	4,260,556	72,748	0	0	4,333,304
Conveyance Expenses	11,414	21,509	0	19,490	52,413
Vehicle Expenses	156,358	46,935	0	0	203,293
Telephone Expenses	31,538	6,500	0	0	38,038
Interest on TDS (Commission)	0	1,094	0	0	1,094
Travelling Expenses	2,165	11,245	0	0	13,410
Other Expenses	6,655,573	0	0	0	6,655,573
<b>Total Expenditure</b>	<b>18,422,778</b>	<b>688,192</b>	<b>654,460</b>	<b>184,195</b>	<b>19,949,625</b>
<b>Segment Result :</b>					
Operating Profit	932,697	122,800	0	3,788,251	4,843,748
Interest Expenses	(636,259)	0	0	268,337	(367,922)
Reversal of MAT Entitlement	0	0	0	0	0
Prov. for Income-tax	0	999,297	0	0	999,297
Deferred Tax Liability	0	(5,006,215)	0	0	(5,006,215)
<b>Net Profit</b>	<b>1,568,956</b>	<b>4,129,718</b>	<b>0</b>	<b>3,519,914</b>	<b>9,218,588</b>



**JIGNESH SHAH****ELEGANT FLORICULTURE & AGROTECH (I) LTD.**

Chartered Accountants

Mumbai- 400 049.

**NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

Particulars	Floriculture	Brokerage & Commission	Trading in Shares	Interest from Fin. Act.	Total
<b>OTHER INFORMATION</b>					
<b>Segment Assets</b>					
Fixed Assets	39,681,318	446,987	0	0	40,128,305
<b>Loans &amp; Advances</b>					
Long Term Loans & Advances	105,822,115	0	0	12,149,800	117,971,915
Short Term Loans & Advances	18,669,063	0	0	42,229,176	60,898,239
Deferred Tax Asset	0	865,461	0	0	865,461
<b>Investments</b>					
Non-Current Investment	0	0	0	0	0
Current Investment	0	0	0	0	0
Sundry Debtors	3,034,195	0	0	0	3,034,195
Cash-in-hand	86,160	0	0	0	86,160
Bank A/c	6,921,095	0	0	0	6,921,095
Closing Stock	0	0	654,460	0	654,460
Profit & Loss A/c	0	0	0	0	0
Unallocated Profit & Loss A/c	0	0	0	0	0
Unallocated assets	0	0	0	0	0
<b>Total Assets</b>	<b>174,213,946</b>	<b>1,312,448</b>	<b>654,460</b>	<b>54,378,976</b>	<b>230,559,830</b>
<b>Segment Liabilities</b>					
<b>Long Term Borrowings</b>					
Secured Borrowings	11,648,369	0	0	0	11,648,369
Unsecured Borrowings	0	0	0	0	0
<b>Short Term Borrowings</b>					
Secured Borrowings	0	0	0	0	0
Unsecured Borrowings	0	0	0	0	0
Sundry Creditors	2,023,110	385,221	0	0	2,408,331
Deferred Tax Liability	0	0	0	0	0
Other Current Liabilities	168,888	46,451	0	43,534	258,873
Provision for Income-tax	0	611,888	0	0	611,888
Shareholders' Funds	199,671,500	0	0	0	199,671,500
Capital Reserve	6,155,429	0	0	0	6,155,429
Profit & Loss A/c	2,155,808	4,129,718	0	3,519,914	9,805,440
Unallocated Reserves & Surplus	0	0	0	0	0
<b>Total Liabilities</b>	<b>221,823,104</b>	<b>5,173,278</b>	<b>0</b>	<b>3,563,448</b>	<b>230,559,830</b>
Capital Expenditure	13,316,528	0	0	0	13,316,528
Depreciation	4,260,556	72,748	0	0	4,333,304
Amortisation	0	0	0	0	0

<b>JIGNESH SHAH</b>	<b>ELEGANT FLORICULTURE &amp; AGROTECH (I) LTD.</b>
<b>Chartered Accountants</b>	<b>Mumbai- 400 049.</b>

**NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

17) In pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", the relevant information are provided hereunder.

A) Related Parties where control exists :

Sr. No.	Name of Party	Relationship
1	Rajkumar B. Agarwal	Key Management Personnel
2	Pawankumar B. Agarwal	Key Management Personnel

B) The details of the related parties with whom transactions have taken place in the current and the preceding year:

i) **Loan given:**

Amount in ₹

Sr. No.	Name of the Party	Current Year			Preceding Year		
		Loan given	Loan taken	Closing Balance	Loan given	Loan taken	Closing Balance
		Dr. ₹	Cr. ₹	Dr./Cr.) ₹	Dr. ₹	Cr. ₹	Dr./Cr.) ₹
1	Surajbhan Rajkumar Pvt. Ltd.	27,786,756	27,786,756	0	60,564,930	50,638,564	9,926,366
2	Shree Durga Iron and Steel Co. Ltd.	56,581,311	36,191,735	20,389,576	64,300,000	12,087,000	52,213,000

ii) **Interest Received**

Sr. No.	Name of the Party	Current Year (₹)	Preceding Year (₹)
1	Shree Durga Iron & Steel Co. Ltd.	563,311	0

ii) **Interest Paid**

Sr. No.	Name of the Party	Current Year (₹)	Preceding Year (₹)
1	Surajbhan Rajkumar Pvt. Ltd.	268,337	0

**JIGNESH SHAH****Chartered Accountants****ELEGANT FLORICULTURE & AGROTECH (I) LTD.****Mumbai- 400 049.****NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

- 18)** In Pursuant to Point R of Schedule III of the Companies Act, 2013, the details of the loan given to the related parties as defined under section 2(76) are provided hereunder.

Sr. No.	Name of the Party	Current Year			Preceding Year		
		Loan given Dr.	Loan taken Cr.	Closing Balance Dr./Cr.)	Loan given Dr.	Loan taken Cr.	Closing Balance Dr./Cr.)
		₹	₹	₹	₹	₹	₹
1	Surajbhan Rajkumar Pvt. Ltd.	27,786,756	27,786,756	0	60,564,930	50,638,564	9,926,366
2	Shree Durga Iron and Steel Co. Ltd.	56,581,311	36,191,735	20,389,576	64,300,000	12,087,000	52,213,000

- 19)** The Company has granted Loans in Contravention as explanation (c) of Section 185(1) of the Companies Act, 2013, the details of which are provided hereunder:

Sr. No.	Name of the Party	Current Year			Preceding Year		
		Loan given Dr.	Loan taken Cr.	Closing Balance Dr./Cr.)	Loan given Dr.	Loan taken Cr.	Closing Balance Dr./Cr.)
		₹	₹	₹	₹	₹	₹
1	Surajbhan Rajkumar Pvt. Ltd.	27,786,756	27,786,756	0	60,564,930	50,638,564	9,926,366

**JIGNESH SHAH****Chartered Accountants****ELEGANT FLORICULTURE & AGROTECH (I) LTD.****Mumbai- 400 049.****NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

- 20) The Company has granted Loan to following Party at Rate of Interest lower than the prevailing yield of government security as mentioned under Section 186(7) of the Companies Act, 2013, that is Prejudicial to interest of the Company of which the details are provided hereunder:

Sr. No.	Name of the Party	Current Year			Preceding Year		
		Loan given Dr.	Loan taken Cr.	Closing Balance Dr./ (Cr.)	Loan given Dr.	Loan taken Cr.	Closing Balance Dr./ (Cr.)
		₹	₹	₹	₹	₹	₹
1	Shree Durga Iron and Steel Co. Ltd.	56,581,311	36,191,735	20,389,576	64,300,000	12,087,000	52,213,000

- 21) The company has granted unsecured loans to following parties during the year covered in the register maintained under section 189 of the Companies Act, 2013:

Sr. No.	Name of the Party	Current Year			Preceding Year		
		Loan given Dr.	Loan taken Cr.	Closing Balance Dr./ (Cr.)	Loan given Dr.	Loan taken Cr.	Closing Balance Dr./ (Cr.)
		₹	₹	₹	₹	₹	₹
1	Shree Durga Iron and Steel Co. Ltd.	56,581,311	36,191,735	20,389,576	64,300,000	12,087,000	52,213,000

**JIGNESH SHAH****Chartered Accountants****ELEGANT FLORICULTURE & AGROTECH (I) LTD.****Mumbai- 400 049.****NOTE '20'****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

- 22) As per the information given by the Company, there are no suppliers who are covered under the Micro, Small and Medium Enterprises Development Act, 2006.
- 23) During the year the Company has created Deferred Tax Asset of ₹ 50,06,215/-
- 24) The company has received subsidy on Poly House from National Horticulture Board of ₹ 34,97,250/- is disclosed under Capital Reserve.
- 25) As per the information given by the Company, the repayment schedule of Term Loan taken from Bank of Maharashtra mentioned in Note No. 3 of Notes to Accounts is as follows :-

Sr.	Amount (₹) (Bal. as on 31/03/2017)	Repayment Details
1)	8,098,562	Moratorium period of 6 months from the date of disbursement. Interest applied during moratorium to be capitalized. Repayable in 26 quarterly instalments with Interest as and when applied. Interest applied during moratorium period to be served as and when applied.
2)	3,549,807	Moratorium period of 6 months from the date of first disbursement. Repayable in 90 months including 6 months of moratorium period.

**Signature to Note '1' to '20'****As per our report of even date**

**Jignesh Shah**  
**Chartered Accountants**  
**Membership No. : 117121**

**For Elegant Floriculture & Agrotech (I) Limited****D****I****R****E (Rajkumar B. Agarwal)****C DIN : 00127496****T****O****R (Pawankumar B. Agarwal)****S DIN : 00127504****Place : Thane****Date : 30th May, 2017****Place : Mumbai****Date : 30th May, 2017**

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED****CIN: L01110MH1993PLC073872**101, Sagarika CHS Ltd, Plot No. 89, Juhu Tara Road, Opp. Palm Grove Hotel,  
Santacruz (West), Mumbai - 400 049.**ATTENDANCE SLIP**

Member's Folio No : \_\_\_\_\_

Client ID No : \_\_\_\_\_

DP ID No : \_\_\_\_\_

Name of Member : \_\_\_\_\_

Name of Proxy Holder : \_\_\_\_\_

No of Shares Held : \_\_\_\_\_

**I hereby record my presence at the 24<sup>th</sup> Annual General Meeting** of the Company held on **Friday, September 29, 2017** at 11.00 a.m. at 101, Sagarika CHS Ltd., Plot No. 89, Juhu Tara Road Opp. Palm Grove Hotel, Santacruz (West), Mumbai - 400 049.

\_\_\_\_\_  
Signature of the Member / Proxy**Notes:**

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of Annual Report.

**Form No. MGT-11****Proxy form**

*[Pursuant to Section 105(6) of the Companies Act, 2013 read with rule 19(3) of the Companies (Management and Administration) Rules, 2014 and Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED****CIN: L01110MH1993PLC073872**

101, Sagarika CHS Ltd, Plot No. 89, Juhu Tara Road, Opp. Palm Grove Hotel,  
Santacruz (West), Mumbai - 400 049.

Name of the member(s) : \_\_\_\_\_  
Registered address : \_\_\_\_\_  
Email 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
2. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_ \ or failing him
3. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_ \ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 29<sup>th</sup> September, 2017 at 11:00 a.m. at 101, Sagarika CHS Ltd., Plot No. 89, Juhu Tara Road Opp. Palm Grove Hotel, Santacruz (West), Mumbai - 400 049 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No.</b>	<b>Resolution Proposed</b>
1.	To receive, consider and adopt the audited financial statements for the year ended 31 <sup>st</sup> March, 2017 including the audited Balance Sheet and the statement of Profit & Loss Account for the year ended as on that date together with the report of Directors' and Auditors' thereon.
2.	Re-appointment of Mrs. Neha Ankur Agarwal (holding DIN 03520989) as Director who retires by rotation.
3.	Ratification of Appointment of Statutory Auditors of the Company.

Signed this ..... day of ..... 20....

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp

**Note: 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.**

