

**ANNEXURE TO BOARD'S REPORT****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company is committed to good Corporate Governance, and it always believed that good corporate governance is essential to achieve the long term corporate goals and it always remain committed to the adaptation of best possible governance practices to enhance share holders value. The company's Philosophy on corporate governance envisages attainment of high - level transparency, accountability and integrity in the functioning of the company and the conduct of its business, its' relationships with its' employees, stakeholders, creditors, customers and institutional and other lenders. The Company places emphasis on regulatory compliance. The company believes that its systems and actions must be integrated for the enhancement of corporate performance resulting in the maximization of the stakeholders value in the long run.

**2. BOARD OF DIRECTORS:****(a) Composition of the Board:**

The Company's Board consists of Six Directors including the Promoter Directors. The Directors were not receiving any remuneration due to the adverse financial position. The number of Independent Directors is reckoned by excluding the said Executive Director; the Company has as many as two Independent non-executive directors and four non-independent directors.

**(b) Board Procedures:**

The Board of Directors of the Company has prescribed appropriate Systems and Procedures for the purpose of conducting of meetings of Board of Directors of the Company, which can be briefed as under:

- 1) The Meetings are convened by giving proper notice to the members of the Board

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- 2) The Agenda and other explanatory notes are circulated in advance among the Board Members and other invitees.
  - 3) The Chairman, generally at the commencement of the meeting explains to the Board Members about the developments that have taken place in the Company from the last Board Meeting
  - 4) The Chairman at the Meeting will place the information, which cannot be circulated in advance to the Members.
  - 5) The Board if required, considering the necessity or urgency of the issue will take up any other item of business, which is not part of agenda.
  - 6) The Minutes of the Meetings are recorded and are entered in the Minutes Book and these minutes will be confirmed in next Board Meeting and the same will be signed by the Chairman.
  - 7) The Directors of the Company ensures compliance of the all-applicable Provisions of Companies Act, Rules and Regulations of Stock Exchanges, SEBI or any other statutory Authority as per the requirements.
- c) **Number of Board meetings held and dates on which the meetings were held.**

Six Board Meetings were held during the financial year 2016-2017. The time gap between any two Board Meetings did not exceed by more than four months.

The date on which the said Board Meetings were held are as follows:

1 <sup>st</sup> Board Meeting	-	09.04.2016
2 <sup>nd</sup> Board Meeting	-	10.06.2016
3 <sup>rd</sup> Board Meeting	-	20.08.2016
4 <sup>th</sup> Board Meeting	-	01.10.2016
5 <sup>th</sup> Board Meeting	-	24.11.2016
6 <sup>th</sup> Board Meeting	-	10.01.2017

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**d) Attendance of each director at the Board meetings and the Last AGM: Board Meetings were held during the financial year 2016-17.**

S. No.	Name of the Director	Category of Directorship	No. of Board Meetings held during the tenure of the director	No. of Board Meetings Attendance	Attendance at the Last AGM
1.	Sri. Surender Kumar Agarwal	Chairman & Managing Director	6	ALL	YES
2.	Sri. Babu Thomas	Director	6	ALL	YES
3.	Sri. Arun Kumar Lohia	Director	3	3	YES
4.	Sri. Ritesh Goel	Director	6	ALL	YES
5.	Sri. Deepak Agarwal	Director	6	ALL	YES
6.	Sri. Shiny Thomas	Woman Director	6	ALL	YES

**e) Pecuniary Relationship or transactions of the Non-Executive Director vis-a-vis the Company**

The company's Non-Executive Director do not have any pecuniary relationship or transactions with the Company.

**f) Number of other Boards/Board Committee each Directors (being a Director of the company as at the end of the financial year) is a Director/ Chariman of :**

S. No.	Name of the Director	No. of Other Companies in which Director	No. of Committees (Other than those constituted by the Company in which Member / Chairman)
1.	Sri. Surender Kumar Agarwal	TWO	TWO
2.	Sri. Babu Thomas	TWO	TWO
3.	Sri. Deepak Agarwal	TWO	TWO
4.	Sri. Ritesh Goel	NIL	NIL
5.	Smt. Shiny Thomas	NIL	NIL

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## 3.AUDIT COMMITTEE

The Company has constituted Audit Committee, as per the provisions of Section 177 of the Companies Act 2013 and the Audit Committee comprises of the following members

1. SHRI. BABU THOMAS, Director
2. SHRI. DEEPAK AGARWAL, Director
3. SHRI RITESH GOEL, Director

The Audit Committee was mainly constituted for the purpose of overseeing and monitoring the audit aspects of the Company and for reviewing with the management the Annual Financial Statements and to review the adequacy of internal control systems, functions, structures and frequency of reporting of Audit systems and to review the financial and risk management policies.

### a) The terms of references of the Audit Committee are as under:

1. To oversee the Company's Financial reporting process and the disclosure of its Financial information to ensure that the Financial Statements is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the Replacement or removal of the statutory auditor and the fixation of Audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the Annual Financial Statements before submission to the board for approval, with particular reference to:

a)Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of section (3) of the companies Act, 2013.

b)Changes, if any, in accounting policies and practices and reasons for the same.

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- c) Major Accounting entries involving estimates based on the exercise of judgement by management.
  - d) Significant adjustments made in Financial Statements arising out of Audit findings
  - e) Compliance with listing and other legal requirements relating to Financial Statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the Draft Audit report.
5. Reviewing, with the management, the Quarterly Financial Statements before submission to the internal control system.
  6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  7. Reviewing the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  8. Discussion with internal auditors any significant findings and followup thereon.
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  10. Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as Post-Audit discussion on ascertain any area of concern.
  11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

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12. To review the functioning of the Whistle Blower mechanism.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit committee will also mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit reports relating to internal control weakness; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

### **b) Details of Audit Committee Meetings and attendance:**

Three meetings of the Audit committee were held during the Financial year and all members of the Committee attended the meetings.

### **4. Shareholders/Investors Grievances Committee**

The Board of Directors designated an "Investor Grievance Committee" as a measure of good corporate governance and to strengthen the investor relations. The following Directors of the company have been constituted as members of the above committee in the previous year:

1. **SRI. DEEPAK AGARWAL**, Director
2. **SRI. BABU THOMAS**, Director
3. **SRI, RITESH GOEL** Director

### **(a) Name of the Director heading the Committee**

The Committee functions under the Chairmanship of Sri. Deepak Agarwal an-Independent Director.

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### **(b) Status of Investor Complaints received during the financial year 2016-17**

<b>Name of the Complaint</b>	<b>Received</b>	<b>Cleared</b>
Non-receipt of share certificates sent for transfer	NIL	NA
Non-receipt of dividend warrant	NIL	NA
Change of Address	NIL	NA
Non-receipt of duplicate share certificate	NIL	NA
Request for stop transfers	NIL	NA
Registration of Power of Attorney	NIL	NA
Non-receipt of share certificate after spilt / consolidation	NIL	NA
Demat request pending	NIL	NA
Non-receipt of refund order	NIL	NA
Any other Complaints	NIL	NA
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

### **(c) Number of Pending Share Transfers**

There were no share transfers pending as at the end of the Financial year.

## **5. GENERAL BODY MEETINGS:**

### **(a) Details of the location and time of the last Three Annual General Meetings (AGMs) of the company.**

The details in respect of the Last Three Annual General Meetings of the Company are as follows:

<b>Date(Year)</b>	<b>Venue of Meeting</b>	<b>Time of Meeting</b>
30.09.2016	Registered Office	10.00 A.M
30.09.2015	Registered Office	10.00 A.M
30.09.2014	Registered Office	10.00 A.M

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### **(b) Directors retirement by rotation**

**Information of Directors seeking appointment/re-appointment as required under Companies Act, 2013, Rules and Regulations.**

Sri Deepak Agarwal and Sri Babu Thomas Directors of the company, retires at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

### **(c) Whether special resolutions were put through Postal Ballot last year, details of voting pattern, person who conducted the Postal Ballot exercise and procedure for Postal Ballot:**

None of the resolutions were proposed for passing through Postal Ballot.

### **6. Disclosures:**

#### **a) Disclosure**

(a) Disclosures on materially significant related partly 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 :  
**NIL**

(b) Details of Non-Compliance by the Company, penalties, imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years :  
**NIL**

#### **b) Details about Statutory Compliances**

The Company was delisted from Bombay Stock Exchange in the year 2004 and the Company has complied the above said regulations as far as practicably possible to support stakeholders requirements.



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### **c) Management Discussion and Analysis Report:**

Management Discussion and Analysis Report forms part of this Annual Report and is in accordance with the requirements as laid down in SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

### **d) CEO/CFO / DIRECTOR Certification:**

Certification by Chief Executive Officer and Chief Financial Officer of the company as required under SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

## **7. MEANS OF COMMUNICATION**

- (a) Quarterly Un-Audited Results are not being despatched to the concerned Stock Exchanges, since the company is suspended at stock exchanges in the year 2004.
- (b) The Management Discussion and Analysis Report forms part of the Board's Report.

## **8. GENERAL SHAREHOLDER INFORMATION**

- (a) As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on 30<sup>th</sup> September 2017.
- (b) The Financial year of the Company is from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.
- (c) Date of Book Closure: 23<sup>rd</sup> September 2017 to 30<sup>th</sup> September 2017 (Both Days Inclusive) as stated in Notice of Annual General Meeting.
- (d) The shares of the company are listed on:  
The Hyderabad Stock Exchange Limited (Regional Stock Exchange)  
The Hyderabad Stock Exchange has stopped trading activity.  
The Bombay stock exchange

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The listing fees has not been paid.

(e) Script Code: 531057

(f) Monthly High and Low Stock Quotations during the year under review

Month & Year	BSE Price (Rs.)	
	High	Low
April - 2016	NIL	NIL
May - 2016	NIL	NIL
June - 2016	NIL	NIL
July - 2016	NIL	NIL
August - 2016	NIL	NIL
September- 2016	NIL	NIL
October - 2016	NIL	NIL
November - 2016	NIL	NIL
December - 2016	NIL	NIL
January - 2017	NIL	NIL
February - 2017	NIL	NIL
March - 2017	NIL	NIL

(g) Registrar & Share Transfer Agents : In House

(h) Share Transfer System

The Shareholders are advised to contact the Registered office of the Company for effecting transfer of shares.

(i). Dematerialization of Shares:

Due to depression in the economy in general and overall recession in Export Industry in particular, and owing to the continuous losses incurred by the company, the Company has not dematerialized the Share Department and the same has been evident from the relevant Balance Sheet and Director's Report.

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- (j) **Outstanding GDRs/ADRs/Warrants or any other Convertible instruments, conversion date and likely impact on equity: Not Applicable**

The company has not issued any GDRs/ADRs/Warrants or any other convertible instruments so far.

(k) **FACTORY**

Survey No. 142  
Kandlakoya Village  
Medchal Mandal  
R.R.District  
Telangana.

(l) **Address for Correspondence :**

Registered Office :  
604, Swapnalok Complex,  
S.D.Road  
Secunderabad -500 003



**FOR AND ON BEHALF OF THE BOARD  
RITESH EXPORTS LIMITED**

**SURENDER KUMAR AGARWAL**

Managing Director

DIN: 00993413

Register office:  
604, Swapnalok Complex,  
S.D.Road  
Secunderabad -500 003.

Date: 05 August 2017

Place : Secunderabad

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### **COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

**To the Members of Ritesh Exports Limited.**

We have examined the compliance of conditions of Corporate Governance by Ritesh Exports Limited for the year ended on 31st March, 2017, as stipulated in SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The compliance of conditions of corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of th 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 as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For M/s R.B.KABRA & COMPANY**  
Chartered Accountants  
Firm Regn No. 001650 S

Date:05.08.2017  
Place: Hyderabad

**CA. RUCHI AGARWAL**  
Partner  
Membership No. 222831