

**28<sup>th</sup>**  
**Annual Report**  
**2017-2018**



**ASHIANA AGRO INDUSTRIES LIMITED**



**ANNEXURE A TO THE DIRECTORS' REPORT FORM AOC-1**

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

**ANNEXURE B TO THE DIRECTORS' REPORT**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

**ANNEXURE C TO THE DIRECTORS' REPORT**

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

**ANNEXURE D TO THE DIRECTORS' REPORT**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**ANNEXURE E TO THE DIRECTORS' REPORT**

[Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]



**BOARD OF DIRECTORS**

Shri Pavan Kumar Matli, Whole Time Director  
Shri Radesh Rangarajan, Director  
Shri Venkatakrishnan Shankar, Director  
Dr.Vemareddy Srutha Keerthi, Director  
Shri Kranthikumar Chimakurthi, Director

**COMPANY SECRETARY**

Shri E.D.M.Menon

**REGISTERED OFFICE**

No.792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram,  
Sriperumbudur Taluk, Kancheepuram Dist., Pincode -602 106, Tamil Nadu  
Phone: 044-2834 4820  
Website: [www.aail.in](http://www.aail.in)

**CORPORATE OFFICE**

New No.16/3, Old No.13/3, Vidyodaya 1st Cross Street,  
T.Nagar, Chennai – 600 017  
Phone: 044-2834 4820

**AUDITORS**

M/s.Prasan & Associates  
Chartered Accountants,  
No.2, Grand Square, Aravamuthan Gardan Street,  
Egmore, Chennai - 600 008

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s.Link Intime India Pvt.Ltd.  
44 Community Centre, 2nd floor, Naraina Industrial Area,  
Phase-I Near PVR Naraina, New Delhi 110028  
Phone : 011-41410592, 93 & 94, E-mail ID: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)



## **NOTICE**

Notice is hereby given that the 28th Annual General Meeting of the Members of the Company will be held on Thursday, the 27th September, 2018 at 11 AM at the Regd. Office of the company situated at 792/5, Eswari Hotel Complex, Bangalore High Road, Sunguvarchatram, Sriperumbudur Taluk, Kancheepuram Distt., Pincode – 602 106, Tamil Nadu to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2018 and the Profit & Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Dr.Smt.Vemareddy Srutha Keerthi (Din No.07159336) who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors.

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

“RESOLVED FURTHER THAT pursuant to the provisions of Section 139, 141 and other applicable provisions of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the appointment of M/s.Prasan & Associates, Chartered Accountants, Chennai (Firm Registration No.014103S with the Institute of Chartered Accountants of India) who were appointed as the Statutory Auditors of the Company to hold office for a term of two years from the conclusion of the 27th Annual General Meeting until the conclusion of the 29th Annual General Meeting to be held in Sept., 2019, subject to ratification of appointment by shareholders in the Annual General Meeting to be held in Sept., 2018, be and is hereby ratified for a term of one year from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held in Sept., 2019, on the remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors”

“RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution and the Board may, by a resolution delegate the aforementioned power to Audit committee or Whole Time Director of the company on such conditions as the Board may prescribe”.

### **SPECIAL BUSINESS**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Act, as amended from time to time, Shri Kranthikumar Chimakurthi (DIN:0008194180), a non-executive Director of the Company, appointed by the Board of Directors in their meeting held on 9th August, 2018 as an Independent Director and who meets the criteria for an independent Director as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years”

“RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any of the Companies' Act, 2013, the Clause III(A) of Memorandum of Association of the Company dealing with Main Objects to be pursued by the Company be amended by adding following objects at Serial No.-3 and 4:-

3. To carry on all or any of the business as manufacturers, exporters, importers, dealers and distributors of packing materials like cartons, corrugated boxes, glass bottles and other packing materials.



4. To carry on the business of manufacturers and dealers in all types of pilfer proof caps, embossed pilfer proof caps, printed sheets, container boxes, corrugated boxes, bags, cans, casks, chests, crates, jars, cases and all allied packing materials made out of Metal of all kinds, Plastic, Rubber, Paper and Paper Materials, Wood and Board Fabrics or any other commodities or materials to be used in the manufacture of such packing materials.

RESOLVED FURTHER THAT the Board of Directors of the Company or any of its duly constituted committee be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

RESOLVED FURTHER THAT the Board of Directors of the Company or any of its duly constituted committee be and is hereby authorized, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any Company upto an aggregate amount not exceeding Rs.230.00 Lakhs (Rupees Two Crores and Thirty Lacs only) notwithstanding that the aggregate of the loans so far given or to be given by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem fit, necessary or appropriate."

By Order of the Board  
For ASHIANA AGRO INDUSTRIES LTD.

Sd/-  
Pavan Kumar Matli  
Whole Time Director

Place: Chennai  
Date: 9th August, 2018

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AFORESAID MEETING.
2. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting.
3. Members/proxies attending the meeting are requested to :
  - Shareholders are requested to bring their copy of Annual Report to the meeting along with the attendance slip.
  - Quote their Folio/Client ID and DP ID numbers in all correspondences.
4. The Register of members and share transfer books of the company shall remain closed for a day, i.e., on 20th Sept., 2018.
5. The members holding shares in identical order of names in more than one folio are requested to write to the Share transfer agent of the Company to consolidate their holding in one folio.
6. The members are requested to communicate to the Registrars and Share Transfer Agents, viz., M/s.Link Intime India Pvt.Ltd., change in address, if any at the address given in the Annual Report.
7. Members are requested to preferably send their queries to the Regd. Office seven days before the date of AGM.
8. In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
9. Electronic copy of the Annual Report 2018 will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2018 are being sent in the permitted mode.
10. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report 2018 will also be available on the Company's website [www.aail.in](http://www.aail.in) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [ashianaagro@gmail.com](mailto:ashianaagro@gmail.com) / [ashiana.menon@gmail.com](mailto:ashiana.menon@gmail.com)
11. Voting through electronic means

In Compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes at 28th AGM by electronically through the electronic voting service facility arranged by Link Intime India Private Limited(LIPL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given below. The business may be transacted through e-voting services provided by Link Intime India Private Limited(LIPL). The company has appointed Mr.T.Durga Prasad, Practising Company Secretary as scrutinizer for the e voting process.

**The instructions for shareholders voting electronically are as under:****Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. The voting period begins on 24.09.2018 at 9.30 AM and ends on 26.09.2018 at 5 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 20.09.2018(record date) of may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.
2. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
3. Click on "Login" tab, available under 'Shareholders' section.
4. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
5. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID



- b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
6. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
Date of Birth (DOB)	<p>Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.</p>
Dividend Bank details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> <li>Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

• **Cast your vote electronically**

7. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, i.e. ASHIANAAGRO INDUSTRIES LTD on which you choose to vote.
8. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.
9. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
10. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.





11. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

12. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

• **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please click here or you may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

By Order of the Board  
For ASHIANA AGRO INDUSTRIES LTD.  
Sd/-  
Pavan Kumar Matli  
Whole Time Director

Place: Chennai

Date: 8th August, 2018

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES' ACT, 2013**

**ITEM NO.4**

The Company had pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges where the company's shares are listed, appointed Shri Nirmal Kumar Dash as Independent Director in compliance with the requirements of the clause upto 24th Sept., 2019. Owing to personal reasons, Shri Nirmal Kumar Dash resigned as an Independent Director with effect from 8th Feb., 2018. Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one third of the total number of directors as independent directors, who are not liable to retire by rotation. The Company has identified Shri Kranthikumar Chimakurthi, a Post Graduate Engineer who is a Senior Consultant and appointed him on 9th August, 2018 and he holds office only upto the forthcoming AGM. The Board recommends the appointment of Shri Kranthikumar Chimakurthi (DIN:0008194180), as an Independent Director for a term of five years from the date of appointment. He has given a declaration to the Board that he meets the criteria of independent director as provided under Section 149(6) of the Act. In the opinion of the Board, Shri Kranthikumar Chimakurthi fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of this director as Independent Director is now being placed before the Members for their approval. Shri Kranthikumar Chimakurthi being the appointee is interested in the Resolution. None of the other Directors are interested or concerned directly or indirectly in the Resolution. The resolution is recommended for the approval of Members by way of Ordinary Resolution.

**ITEM NO.5**

Upon Incorporation of the Company in 1990 your Company was engaged in the manufacture of edible oil. Your Company made profits from the first year of its operations and dividend was also paid. Due to severe competition in the edible oil market, your company could not continue the same performance in the later years. As a result, the company went into losses year after year. The earlier management suspended production and sold away the entire plant and machinery to pay off the term loans of the Financial Institutions. The company was taken over in the Year 2008 by M/s. Serengeti Holdings Private Limited, Chennai. Since then the new management was on the lookout for viable projects which your company can undertake with the limited resources at its disposal. The new management has identified Packaging material business as a new area. The new Management has the expertise and experience to run this type of business. In order to enable the Company to undertake businesses as above, it is proposed to amend the Main Objects Clause of the Memorandum of Association by adding the objects as mentioned at Serial No. -3 and 4 of the Notice. By virtue of Section 13 of the Companies Act, 2013 read with Rule





22 of the Companies (Management and Administration) Rules, 2014; approval of members by way of Special Resolution is required to amend the objects clause of the Memorandum of Association of the Company and thus your approval is sought for the same. Your Company will comply with the provisions of the Companies' Act, 2013 and directions of the stock exchanges/SEBI/other Government authorities in connection with the alteration of the Objects Clause of the Memorandum of Association.

The Directors recommend the Resolution, in the best interest of the Company, for the approval of Members by way of Special Resolution.

None of the Directors and Key Managerial Personnel neither of your Company nor any of their relatives are interested in the aforesaid resolution, except as a member, if any of the Company.

**ITEM NO.6**

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its Free Reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to earn revenue pending deployment of funds on other projects, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for providing loans to other bodies corporates for an amount not exceeding 230.00 Lakhs (Rupees Two Crores and Thirty Lacs only).

The Directors recommend the Resolution, in the best interest of the Company, for the approval of Members by way of Special Resolution.

None of the Directors and key managerial personnel neither of your Company nor any of their relatives are interested in the aforesaid resolution, except as a member, if any of the Company.

**BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 28th ANNUAL GENERAL MEETING AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT**

At the ensuing AGM Dr.Smt.Vamareddy Srutha Keerthi (DIN 07159336) retires by rotation and is eligible for re-election. Shri Kranthikumar Chimakurthi has been appointed by the Board as an Independent Director on 9th August, 2018 for a term of five years subject to approval of shareholders in the forthcoming AGM.

**Brief profile of these Directors under Corporate Governance code are as under:-**

**1. Dr.Smt.Vamareddy Srutha Keerthi**

Dr.Smt.Vamareddy Srutha Keerthi is a Dental Doctor. She was appointed to comply with the SEBI guidelines and listing agreement which stipulates that all listed Companies should have a Woman Director on its Board effective from 1st April, 2015.

**Companies other than Ashiana Agro Industries Ltd. in which Dr.Vamareddy Srutha Keerthi holds Directorship and Committee Membership**

**Directorship: Nil**

**Chairman of Board Committees - Nil**

**Member of Board Committees - Nil**

**Shareholding in Company - Nil**

**2. Shri Kranthikumar Chimakurthi**

Shri Kranthikumar Chimakurthi (DIN:0008194180) is an M.Tech with more than six years experience in MIS and Data base management. He is a senior consultant in SQL server experience.

**Companies other than Ashiana Agro Industries Ltd. in which Shri Kranthikumar Chimakurthi holds Directorship and Committee Membership**

**Directorship: Nil**

**Chairman of Board Committees - Nil**

**Member of Board Committees - Nil**

**Shareholding in Company - Nil**

**DIRECTORS' REPORT**

To The Members

Your Directors take pleasure in presenting their 28th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2018.

**FINANCIAL HIGHLIGHTS**

The summarized financial results for the year ended 31st March, 2018 are as follows:-

	Rupees in Lacs	
	2017-18	2016-17
Total Income	67.99	36.44
Profit before Interest & Depreciation	(-)4.08	(-)4.87
Interest:	-	-
Depreciation:	0.01	0.01
Profit before tax	(-)4.09	(-)4.88
Less: Tax Expenses	-	-
Profit/Loss(-) for the Year	(-)4.09	(-)4.88
Balance Loss (-) brought forward from previous year	(-)215.56	(-)210.68
Balance carried to Balance Sheet (Loss)	(-)219.65	(-)215.56

Keeping in view the accumulated losses and the losses for the year under review, the directors are unable to recommend payment of any dividend for the year under review.

As regards "other notes to Accounts", the directors wish to clarify that the loan has been advanced to Diadem enterprises duly complying with the relevant provisions of the Companies' act, 2013 and is within the permissible limit laid down under the provisions of the said Act. Pending deployment of funds in other Projects, the company could earn interest to meet its day to day expenses and other liabilities. The loan is repayable on demand. The Company is in the process of identifying Projects wherein it can invest its funds for the long term for the benefit of its shareholders.

**OPERATIONS**

Commercial operations of the company has just resumed on an experimental basis during the year under review. The new management has identified Packaging Materials business as a new area. The new management has the expertise and experience to run this type of business. In order to enable the Company to undertake businesses as above, it is proposed to amend the Main Objects Clause of the Memorandum of Association by adding the new objects.

Your Company will comply with the provisions of the Companies' Act, 2013 and directions of the stock exchanges/SEBI/other Government authorities in connection with the alteration of the Objects clause of the Memorandum of Association.

**DIRECTORS**

Dr.Vemareddy Srutha Keerthi, Director retires by rotation and is eligible for re-election. Shri Nirmal Kumar Dash, one of the independent directors resigned with effect from 08th Feb., 2018. Shri Kranthikumar Chimakurthi has been appointed by the Board as an Independent Director for a term of five years on 9th August, 2018. He holds office upto the Annual General Meeting. The Board recommends to Members his appointment as an independent director for a term of five years.

There is no other change in directorship.

**BOARD MEETINGS**

During the Financial Year ended 31.3.2018, Board Meetings held on 11.4.17, 24.5.17, 10.7.17, 10.8.17, 28.9.17, 8.11.17 and 8.2.18. Shri Nirmal Kumar Dash, one of the independent directors, has resigned with effect from 8th Feb., 2018. Shri Kranthikumar Chimakurthi has been appointed by the Board as an Independent Director on 9.8.18 for a term of five years. He holds office upto the Annual General Meeting. The Board recommends to Members his appointment as an independent director for a term of five years from the date of appointment.

Your Company has a policy of appointing adequately qualified persons only to the Board keeping in view the requirements of listing agreement with the stock exchanges and the Corporate Governance guidelines.