



ASHOK ORGANIC INDUSTRIES LIMITED

33<sup>rd</sup>  
Annual Report  
2006-2007

**ASHOK ORGANIC INDUSTRIES LIMITED**

**Board of Directors :**

Shri. Pankaj M. Kadakia	-	Chairman & Managing Director
Shri. Ashok M. Kadakia	-	Director
Dr. Anil M. Kadakia	-	Director
Shri D. C. Gami	-	Independent Director
Shri D.M.Popat	-	Independent Director (up to 28-09-2006)
Shri K.S.Tondon	-	Independent Director (up to 28-09-2006)
Shri Niranjan M. Pandya	-	Independent Director (from 28-09-2006)
Shri Subramaniam Ayyer	-	Independent Director (from 28-09-2006)

**Solicitors :** Mulla & Mulla & Craigie Blunt & Caroe

**Bankers :** Dena Bank

**Auditors :** N. P. Patwa & Co.  
Chartered Accountants,  
Mumbai.

**Registered Office :** 14, Sun Industrial Estate,  
Sun Mill Compound,  
Lower Parel (W)  
Mumbai-400 013  
Tel. No. : 22002236/56  
Fax No. : 22009456  
Email : akadakia@vsnl.com  
Internet : <http://www.kadakiagroup.com>

<b>PLANTS :</b>	<b>1. Organic Chemicals</b> Monochloro Acetic Acid, Ethyl Acetate etc 41/A, GIDC Industrial Estate, Nandesari, Dist. Baroda	<b>2. Distillery</b> Near Boridra Hansot Road, Ankleshwar, Dist. Bharuch	<b>3. Glacial Acetic Acid Unit.</b> 318/319 GIDC Industrial Estate, Ankleshwar, Dist. Bharuch
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**REGISTRAR & SHARE  
TRANSFER AGENTS :**

**INTIME SPECTRUM REGISTRY LTD.**  
 C-13, Pannalal Silk Mills Compound  
 L. B. S. Marg,  
 Bhandup (West)  
 Mumbai-400 078  
 Phone No. : 55555454  
 Fax No. 55555353  
 Email : isrl@vsnl.com

**ASHOK ORGANIC INDUSTRIES LIMITED****NOTICE**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of ASHOK ORGANIC INDUSTRIES LTD. will be held at Sharda Chambers Hall, 8<sup>th</sup> Floor, Sharda Chambers, 33, New Marine Lines, Mumbai-400 020 on Thursday, the 27<sup>th</sup> September, 2007 at 2:30 p.m. to transact the following business:

**Ordinary Business :**

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended on 31<sup>st</sup> March 2007 and the Balance Sheet as of that date together with Reports of Directors and Auditors thereon,
2. To appoint a Director in place of Shri D.C. Gami who retires by rotation being eligible offers himself for reappointment.
3. To appoint Auditors in place of retiring Auditors, who have shown unwillingness to be reappointed, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Special Business :**

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

"RESOLVED THAT Shri Niranjan M. Pandya, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature for the office of a director, be and is hereby appointed as a Director of the Company."

5. To consider and, if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution.

"RESOLVED THAT Shri Subramanian Ayyer, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature for the office of a director, be and is hereby appointed as a Director of the Company."

For and on behalf of the Board of Directors,

3<sup>rd</sup> September, 2007  
Registered Office :  
14, Sun Industrial Estate,  
Sun Mill Compound,  
Lower Parel (W)  
Mumbai-400 013

Pankaj M. Kadakia  
Chairman & Managing Director

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIM/HER. A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the commencement of the Meeting.
3. Explanatory statement setting out all material facts concerning item 4 and 5 as required under Section 173 of the Companies Act, 1956 is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2007 to 27<sup>th</sup> September, 2007 (both days inclusive)
5. Members are requested to notify changes, if any, in their address to the Registrar and Share Transfer Agents at the earliest.
6. Members are requested to hand over the enclosed attendance slip, duly signed in accordance with their specimen signatures registered with the Company for admission to the venue of the Meeting.
7. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company at least seven days in advance of the Meeting so that the information required can be readily available at the meeting.
8. Pursuant to SEBI circular No. D&CC/FITTC/CIR-15/2002 dtd. 27.12.2002 all the work related to share registry in terms of both physical and electronic are being done by the Company's R&T Agents M/s. Intime Spectrum Registry Ltd. Therefore, shareholders are requested to send their communication directly to them in future.

**ASHOK ORGANIC INDUSTRIES LIMITED****Explanatory Statement as required under Section 173 of the Companies Act, 1956****Item No. 4 & 5 :**

The Board of Directors of the Company has appointed Shri Niranjana M. Pandya and Shri Subramanian Ayyar as Additional Directors of the Company, pursuant to Article No 134 of Articles of Association of the Company and Section 260 of the Companies Act, 1956, in terms thereof, they hold offices of Additional Directors up to the date of the ensuing Annual General Meeting of the Company. The Company has received notices in writing with the requisite deposits from members under Section 257 of the Companies Act, 1956 signifying their intentions to propose Shri Niranjana M. Pandya and Subramanian Ayyar for appointment as Directors of the Company.

Consents in writing have been received from them to act as Directors of the Company, if appointed.

None of the directors, except Shri Niranjana M. Pandya and Shri Subramanian Ayyar are interested or concerned in the said resolutions.

The Board recommends the resolutions for adoption.

For and on behalf of the Board of Directors,

3<sup>rd</sup> September, 2007

Registered Office :

14, Sun Industrial Estate,  
Sun Mill Compound,  
Lower Parel (W)  
Mumbai-400 013

Pankaj M. Kadakia  
Chairman & Managing Director

**Annexure to the Notice of Annual General Meeting**

Information pursuant to Clause 49 of the Listing Agreement regarding appointment/ reappointment of Directors.:

<b>Name of the Directors</b>	<b>Dhirajlal C. Gami</b>	<b>Niranjana Pandya</b>	<b>Subramaniam Ayyar</b>
Date of Birth	26-11-1927	01-06-1949	19-11-1947
Date of Appointment	20-10-1982	28-09-2006	28-09-2006
Specialized Expertise	Technical and Management Consultancy	Economics	Corporate Affairs and Marketing & Communication
Qualifications	M.Sc,	Ph.D. in Economics	M.A, PGDM
Directorships of other Companies as on 31 <sup>st</sup> March, 2007	Benzo Petro Chemicals Limited —	—	—
Chairman/Member of Committees of Companies as on 31 <sup>st</sup> March, 2007	Chairman of Audit Committee, Remuneration Committee and Member of Shareholders' Grievance Committee of Ashok Organics Industries Limited	Member of Audit Committee, Remuneration Committee and Shareholders' Grievance Committee of Ashok Organics Industries Limited	Chairman of Shareholders' Grievance Committee and Member of Audit Committee and Remuneration Committee of Ashok Organics Industries Limited

**ASHOK ORGANIC INDUSTRIES LIMITED****DIRECTORS' REPORT**

To,  
The Members

Your Directors submit their 33<sup>rd</sup> Report together with the Statement of Account for the year ended on 31<sup>st</sup> March 2007. The following figures summaries the financial performance of the Company during the year under review.

**1. Financial Results :****(Rupees in lacs)**

	<b>2006-07</b>	<b>2005-06</b>
Sales and Other Income	84.65	120.63
Loss before Interest & Depreciation	21.62	70.00
Less : Interest	0.04	11237.47
Depreciation	6716.02	457.81
Prior period Adjustments	9.00	2.62
Loss before Tax	(619.19)	(11626.91)
Provision for Taxation	—	—
Net profit / (Loss) for the year	(619.19)	(11626.91)
Add: Brought forward balances	18263.43	6636.52
Balance carried to Balance Sheet	18882.62	18263.43

**2. Dividend :**

In view of the loss, the Board regrets its inability to recommend payment of Dividend for the year under review.

**3. Operations :**

Industrial Alcohol Distillery Unit, Acetic Acid Plant, Organic Chemical Plants and the Chlor-alkali Unit remained out of operation during the year under report because of constraints resulting from non-availability of funds required for refurbishing of plants and the working capital. During the year under review, however, the management could run its Ethyl Acetate plant for some time and generated some revenue the Company strived hard to minimize the losses by curtailing the expenditure to the minimum. With an intension to cover its part of the Overhead Cost, the Company has given its Industrial Alcohol Distillery Unit on lease with effect from 1<sup>st</sup> May, 2007.

**4. Scheme of Arrangement :**

As the members are aware, Asset Reconstruction Company (India) Ltd (Arcil) as major Secured Creditor of the Company formulated a restructuring package aiming at revival of the Company's operations and subsequently a Scheme of Arrangement was prepared for restructure and settlement of the Company's liabilities. During the year under review, the Company pursued the said Scheme of Arrangement pending at Honourable High Court of Bombay, which is pending for final approval.

**6. Scheme of Amalgamation :**

Asset Reconstruction Company (India) Ltd (Arcil) has provided, as part of restructuring package, for amalgamation of the Company's wholly owned subsidiary Kadakia Alkalies & Chemicals Limited (KACL) with this Company. The said Scheme has been approved by Shareholders of both the Companies as per directions of the High Courts of Bombay and Gujarat. The Scheme is now pending before both the High Courts for final approval. The Company hopes for turn around with the aforesaid developments.

**7. Reference under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 :**

As required under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985, reference which made by the Company to the Board for Industrial and Financial reconstruction (BIFR), has been registered under case No. 195/2002. During the year under review, the management pursued the matter for rehabilitation of the Company.

**8. Management Discussion and Analysis Report :**

Management discussion and analysis report as required under the listing agreement with Bombay Stock Exchange is enclosed as **Annexure 'B'**.

**9. Corporate Governance :**

Your Company has always strived to incorporate appropriate standards and Code of Conduct for good Corporate Governance and has therefore complied with all the mandatory provisions of Corporate Governance as prescribed under the amended Listing Agreements of the Bombay Stock Exchange Limited with which the Company's shares are listed.

## ASHOK ORGANIC INDUSTRIES LIMITED

A separate report on Corporate Governance is annexed as part of the Annual Report along with Practising Company Secretary's Certificate on the compliance, is enclosed as **Annexure 'C'**.

**10. Listing of Equity Shares :**

The Company's equity shares are listed with Bombay Stock Exchange Limited. The scrip has been temporarily suspended for trading. The Company is endeavoring to recommence the trading at the earliest.

**11. Fixed Deposit :**

Your Company has not accepted deposits from the public.

**12. Subsidiary Company :**

The audited statement of accounts along with the Directors' Report for the year ended 31<sup>st</sup> March 2007 of Kadakia Alkalies & Chemicals Ltd. are annexed to this report. Your Directors have reviewed the affairs of the Subsidiary Company also.

**13. Energy, Technology & Foreign Exchange :**

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 and forming part of this Report is furnished as **Annexure 'A'** to this report, however, there was no foreign Exchange inflow or outflow during the year under review.

**13. Particulars of Employees :**

During the year, There were no employees covered as per section 217(2A) read with Companies (Particulars of Employees) Rules 1975 as amended hence no details are furnished hereunder.

**14. Cash Flow Statement :**

Pursuant to Clause 32 of the Listing Agreement with the Stock Exchange, Cash Flow Statement, is annexed to this Report.

**15. Directors :**

Shri. D.C. Gami retires by rotation and being eligible offers himself for reappointment. A brief resume of Shri. D.C. Gami is given hereunder.

During the year under review, Shri D.M. Popat and Shri K.S. Tondon ceased to be Directors of the Company. The Board places on record its sincere appreciations for the contributions given by each of them to the Company, during their tenure as Directors.

Shri (Dr.) Niranjan M. Pandya and Shri Subramanian Ayyar have been appointed as Additional Directors on the Board of Directors of the Company on 28<sup>th</sup> September, 2006 and they hold office up to the date of ensuing Annual General Meeting. The Company has received notices under Section 257 of the Companies Act, 1956 proposing their candidatures for directorship. The Board hopes that the Company would be immensely benefited by their valuable contribution as Directors of the Company.

**16. Audit Committee :**

The Audit Committee as constituted in terms of Section 292A of the Companies Act, 1956 with Shri. D.C. Gami, Shri (Dr.) Niranjan M. Pandya, Shri Subramaniam Ayyar and Shri (Dr). Anil M. Kadakia, as the Members, performed inter alia the work assigned to it as laid down there under, during the year under review.

**17. Auditors :**

M/s. N. P. Patwa & Co. Chartered Accountants, retires at the conclusion of the forthcoming Annual General Meeting. However, due to their preoccupation, they have shown their unwillingness to be reappointed as the Auditors of the company. The company has received a Certificate from M/s. Bhatt Thakker & Associates, the Chartered Accountants, Vadodara, under section 224 (1-B) of the Companies Act, 1956, stating that if their appointment is made, it would be well within the ceiling prescribed thereunder.

Members are requested to consider their appointment as Statutory Auditors in place of retiring Auditors and fix their remuneration.

**18. Accounts & Finance**

With reference to observation made by the Statutory Auditors in their Report, your Directors wishes to state as under :

- (i) Note No.1 (iv) : Due to continuous incurring of cash losses for last more than seven years, the Company was unable to make requisite investment which shall sooner be made upon revival of the Company.
- (ii) Note Nos.1 (v) & (vi) : Statements made thereunder by the Auditors are self explanatory and do not call for any further clarification and explanation.
- (iii) Note No.4 : Outstanding balances in the books of the Secured Creditors of the Company were not reconciled with the balances in the books of the Company for number of years. Subsequently, the Secured Creditors gave notices to the Company stating the balances as per their respective books. The Company has

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therefore taken those balances now in the books of the Company. The difference aggregating to Rs.112.27 Cr. is accounted in the books as part of finance cost.

- (iv) Note No.10 : Unclaimed Dividend amounting to Rs.1,08,069/- is not deposited in Investors Education and Protection Fund, however, the same would be deposited no sooner funds positions permit.
- (v) Note No.11 : Networth of the Company has been completely eroded, however, in view of the future plans, prospective profitability and the rehabilitation proposal submitted to the financial institutions which the management is confident of achieving, the accounts have been prepared on the principle applicable to a "Going Concern".
- (vi) Note No.14 : The Company has not accounted for the impairment losses on account of diminution in the value of inventory and fixed assets including capital work in progress in respect of incomplete project, as the management is not in position to estimate the exact nature and quantum of loss on this account. Management feels that upon revival of operations, the Company would be in position to work out loss on this account.

### 19. Directors' Responsibility Statement :

Pursuant to Section 217 (2AA) of the Companies Act, 1946, your Directors confirm based on the confirmation received from the operating management that ;

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed
- (ii) The Directors have selected such accounting policies as mentioned in Schedule 18 to the accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2007 and of the loss of the Company for that period.
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis.

Your Directors further certify that

- (a) they have reviewed financial statements and cash flow statements of the Company as well as of the Subsidiary Company for the year and to the best of their 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 their knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of internal control systems of the Company and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to Auditors and the Audit Committee
  - (i) significant changes in internal controls during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes in the financial statements; and
  - (iii) instances of significant fraud, which were none, of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

### 20. Acknowledgement

Your Directors wish to place on record their appreciation of the co-operation received by the Company from the Banks and Government Authorities as well as the sincere and devoted efforts of the employees at all levels.

Your Directors are also grateful to the Shareholders for their trust and confidence.

For and on behalf of the Board of Directors,

Date : 3<sup>rd</sup> September, 2007  
Place: Mumbai

Pankaj M. Kadakia  
Chairman & Managing Director

# ASHOK ORGANIC INDUSTRIES LIMITED

## Annexure- A to the Directors' Report

Particulars required under the companies (disclosure of particulars in the report of board of directors) rules, 1988 and forming part of directors report for the year ended 31.03.2007.

### (A) Conservation of energy

#### (a) Energy Conservation measures taken

- (i) Generation of Power from gas captive requirement.
- (ii) Pressure and flow of gas improved by on-going cleaning of gas pipelines.

#### (b) Additional Investment & proposals, if any, being implemented, for reduction in consumption of energy.

- (i) Installation of a new Burner with additional facilities to facilitate capacity utilization of Boiler.
- (ii) Devices being planned for installation to monitor supply of power and steam to various equipments and introduction of strict supervision and controls.

#### (c) Impact of the above measures

*Saving in energy. This has been achieved by use of non-conventional source of enegy namely Methane Gas, in generation of energy and use of natural gas in the boiler.*

#### (d) Total energy consumption and energy consumption per unit of production:

I.	Power & Fuel Consumption	2006-07	2005-06
	1. Electricity		
	(a) Purchased		
	Unit (in lacs)	0.49	0.67
	Total amount (Rs. In lacs)	6.81	7.02
	Rate/Unit (Rs.)	13.91	10.51
	(b) Own Generator		
	Through diesel generator		
	Unit (in lacs)	N.A.	N.A.
	Total amount (Rs. In lacs)	N.A.	N.A.
	Unit per liter of diesel oil		
	Cost/Unit (Rs.)		
	2. Coal		
	Quantity (MT)	94.200	N.A.
	Total Cost (Rs. In lacs)	2.33	
	Average Rate (Rs.)	2473.46	
	3. Furnace Oil		
	Quantity (K. Litres)		
	Total amount (Rs. In lacs)		
	Average Rate (Rs.)/Litres	N.A.	N.A.
	4. Gas		
	Quantity (1000 M3)		
	Total Cost (Rs. In lacs)		
	Rate/Unit per 1000 M3 (Rs.)	N.A.	N.A.
II.	Consumption per Unit of Production		
		2006-07	2005-06
	(i) Industrial Alcohol : Electricity Kwh/lac Ltrs.	Not Ascertainable	Not Ascertainable
	(ii) Acetic Acid : Electricity Kwh/Ltrs.	Not Ascertainable	Not Ascertainable
	(iii) Organic Chemicals : Electricity Kwh/M.T.	Not Ascertainable	Not Ascertainable

## ASHOK ORGANIC INDUSTRIES LIMITED

### Notes:

1. Product-wise consumption per unit for each organic chemicals cannot be meaningfully determined in view of the products being interlinked.
2. Coal, Furnace Oil and Gas, being alternative sources of energy it is not possible to determine their respective consumption per unit of production.

### (B) Technology Absorption :

- (a). Efforts made in Technology Absorption.

Research & Development

Development of new generation yeast to improve molasses fermentation and to improve yield of alcohol.

- (b) Benefits derived as a result of the above R & D

Improvement in yields of alcohol

- (c) Future plan of Action

- (i) Exploring possibility of setting up power plant operating on captively generated methane gas.
- (ii) To work on alternative feedstock and technology for Distillery Improvement in various catalyst used in process.

- (d) Expenditure on R & D

(i) Capital : Rs. NIL

(ii) Recurring : Rs. NIL

- (e) Technology absorption, adaptation & innovation

- (i) Efforts, in brief, made towards technology absorption & Innovation Distillery generates methane gas from its effluent.

- (ii) Benefit derived as a result of the above efforts.

The efforts made by the company have resulted in saving in energy preservation of environment and better yields.

- (iii) Particulars of the technologies imported during the last 5 years.

### (C) Foreign Exchange Earning And Outgo :

- (i) Activities relating to exports initiatives taken to increase exports, development of new export markets for products and services.

During the year, the Company achieved exports of Rs. NIL

- (ii) Total foreign exchange used and earned :

(a) Total foreign exchange earned Rs. NIL

(b) Total foreign exchange used Rs. NIL

## ASHOK ORGANIC INDUSTRIES LIMITED

ANNEXURE—B

### MANAGEMENT DISCUSSION AND ANALYSIS

**(a) Industry Structure and Development :**

The overall growth of the Indian Economy and higher industrial growth augur well for the future. The industrial climate is also positive for an enhanced role in the global economy. In this scenario, market for the Company's products have improved substantially and this development is expected to continue in the future.

The improvement at macro-level helped your Company to restart the industrial activity which was otherwise standstill.

**(b) Outlook :**

Organic chemical Industry in India continues to face competition within it self from petro-route vis-à-vis the alcohol route. Again the pricing of petro-route had direct relation with the movements in crude prices internationally whereas the pricing of alcohol route had effects of government policies of using alcohol in automobile fuel, molasses controls and so on.

**(c) Segment-wise Performance :**

The Company has one segment of Organic Chemicals. The period saw the Company out of activity for most part thereof. The Company faced myriads of problems including paucity of Working Capital, which had cumulative effects making it more difficult for the Company to restart activities in any of its plants. In spite of this modest attempt was made to start operations at the Company's Distillery unit at Ankleshwar and organic chemical plant at Nandesari.

**(d) Opportunities, Threats, Risks and concerns :**

The Organic Chemical Industry in India look forward with optimism on account of tremendous potential of using Alcohol in automobile fuel/ petrol. When implemented fully, this will give tremendous boost to the overall demand in this sector.

The uncertainties faced by the Indian economy through movements in crude prices in international market as well as changes in government policies with respect to controls on molasses prices & movements represent threats and risks to be reckoned in the Industry. The Company being a part of the Industry is affected by these threats, risks and uncertainties.

**(e) Financial Performance :**

During the year, the plants of the Company remained out of operations. As a result the Company suffered heavy losses. So much so that based on results of the year 2000-2001, the Company made reference seeking registration with the Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act, 1985 for granting relief and concessions enabling it to revive. The same has been registered with BIFR under Case No. 195/2002. The Company has been pursuing the matter for its revival and rehabilitation

**(f) Internal Control Systems and Adequacy:**

As stated above, during most part of the years the plants of the Company remained out of operations and the transactions that took place during the year were minimal. The Internal Control Systems, which were very effective earlier when the plants were working, were no longer essential. However, whatever transactions that took place were closely monitored with proper checks and controls.

**(g) Human Relations :**

There has been cordial relations in the Company during the period.

**(h) Cautionary Statement :**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation may be 'forward - looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.