



**CUBEX TUBINGS LIMITED**



**40th Annual Report  
2018-19**



**BOARD OF DIRECTORS**

Mr. P.R.Bhandari	:	Managing Director	(DIN: 00062271)
Mr. Virendra Bhandari	:	Executive Director	(DIN: 00062228)
Ms. Veena Bhandari	:	Director - Admin	(DIN: 03570489)
Mr. Sandeep Kumar	:	Independent Director	(DIN: 05192591)
#Mr. Dipen Sajjan Sanghvi	:	Independent Director	(DIN: 08476459)
#Mr. Vipul Kumar Jain	:	Independent Director	(DIN: 08476476)
*Dr. Trilok Singh	:	Independent Director	(DIN: 06469426)
*Mr. Mahendra Kumar Ranka	:	Independent Director	(DIN: 01268256)

# Appointed w.e.f 11<sup>th</sup> June 2019\* Resigned w.e.f 18<sup>th</sup> April 2019**CHIEF FINANCIAL OFFICER**

Mr. Siva Prasad Sarva

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Ankit Choudhary

(Appointed w.e.f 6<sup>th</sup> October 2018 & Resigned w.e.f 27<sup>th</sup> May 2019)Corporate Identification Number : **L27109TG1979PLC002504****BANKERS-**Axis Bank Limited  
State Bank of India**AUDITORS**M/s. P C N & Associates., (FRN: 016016S),  
(formerly M/s. Chandra Babu Naidu & Co.,)  
Chartered Accountants  
Plot No. 12, "N" Heights, Ground Floor,  
Software Layout Unit,  
Cyberabad, Hyderabad - 500 081.**SOLICITORS**

Mr. M.V.S. Prasad

**REGISTERED OFFICE**1-7-27 to 34, Shyam Towers,  
S.D.Road, Secunderabad - 500 003.  
Telangana, India  
Tel. No. 0091-40-27817440, 27817436  
Fax No. 0091-40-27812569  
Email: [cubex@rediffmail.com](mailto:cubex@rediffmail.com)  
[www.cubextubings.com](http://www.cubextubings.com)**PLANT**Near 5th Phase, S.NO.464, 482  
Pathancheru, Telangana.**SHARE TRANSFER AGENTS**M/S. Aarthi Consultants Pvt. Ltd.,  
1-2-285, Domalguda, Hyderabad - 500 029  
Tel. No.: 0091-40-2763 8111, 2763 4445  
Fax :0091-40-2763 2184  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)  
Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)**LISTING AT**BSE Limited, Mumbai  
The National Stock Exchange of India Limited, Mumbai

**NOTICE**

NOTICE is hereby given that the 40<sup>th</sup> Annual General Meeting of the Members of the Company will be held on **Saturday, the 28<sup>th</sup> September, 2019 at 10.30 A.M at Hotel Raj Comfort Inn**, Near Paradise, Opposite HDFC Bank, Secunderabad-500 003 to consider the following Business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March 2019 including the Audited Balance Sheet and Statement of Profit & Loss for the year ended on that date and Reports of Directors and Auditors thereon for the said year.
2. To appoint a Director in place of Mr. Virendra Bhandari (DIN: 00062228) who retires by rotation and being eligible offers him-self for reappointment.

**SPECIAL BUSINESS:**

3. **To consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:**

**Appointment of Mr. Dipen Sajjan Sanghvi (DIN: 08476459), as Director of the Company**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. Dipen Sajjan Sanghvi (DIN: 08476459)**, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f 11<sup>th</sup> June 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company".

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution".

4. **To consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:**

**Appointment of Mr. Vipul Kumar Jain (DIN: 08476476), as Director of the Company**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. Vipul Kumar Jain (DIN: 08476476)**, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f 11<sup>th</sup> June 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company".

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to take all such steps 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 modifications, the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. Dipen Sajjan Sanghvi (DIN: 08476459)**, a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence 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, with effect from 11<sup>th</sup> June 2019 for a period of Five Years."

6. **To consider and if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, **Mr. Vipul Kumar Jain (DIN: 08476476)**, a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence 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, with effect from 11<sup>th</sup> June 2019 for a period of Five Years."

BY ORDER OF THE BOARD OF DIRECTORS  
For **CUBEX TUBINGS LIMITED**

PLACE: HYDERABAD  
DATE: 13.08.2019

**P.R.BHANDARI**  
MANAGING DIRECTOR

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23<sup>rd</sup> September 2019 to Saturday 28<sup>th</sup> September 2019 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchanges.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Share Transfer Agent of the Company [www.aarthiconsultants.com](http://www.aarthiconsultants.com), to M/s. Aarthi Consultancy Private Limited. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
5. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
6. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 21<sup>st</sup> September 2019 are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Share Transfer Agent of the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 a.m. on Wednesday, 25<sup>th</sup> September 2019 and will end at 5.00 p.m. on Friday, 27<sup>th</sup> September 2019. The Company has appointed Ms. Sarada Putcha, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
7. **The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on Wednesday, 25<sup>th</sup> September 2019 at 10.00 A.M. and ends on Friday, 27<sup>th</sup> September 2019 at 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 21<sup>st</sup> September 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

PAN	For Members holding shares in Demat Form and Physical Form Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <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> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for CUBEX TUBINGS LTD on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.



- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The e-voting module shall be disabled by CDSL after 5.00 p.m. on Friday, 27<sup>th</sup> September 2019.
- (xxi) The results shall be declared on or before 3<sup>rd</sup> October 2019. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.
8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Aarthi Consultants Private Limited / Investor Service Department of the Company immediately.
  9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Aarthi Consultants Private Limited / Investor Service Department of the Company.
  10. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
  11. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

**Additional information to be furnished as required under SEBI (LODR) Regulations 2015**

**Brief Details of Directors seeking re-appointment at this Annual General Meeting**

<b>Name of the Director</b>	Sri. Virendra Bhandari
<b>Date of Appointment (first appointment)</b>	12 <sup>th</sup> January 2012
<b>Date of Birth/Age</b>	47 Years
<b>Expertise in Specific functional areas</b>	Business Activities
<b>List of other Public Companies in which Directorships held as on 31.03.2019.</b>	1
<b>Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2019.</b>	Nil
<b>Name of the Director</b>	Sri. Dipen Sajjan Sanghvi
<b>Date of Appointment (first appointment)</b>	11th June 2019
<b>Date of Birth/Age</b>	25 Years
<b>Expertise in Specific functional areas</b>	Business Activities
<b>List of other Public Companies in which Directorships held as on 31.03.2019.</b>	Nil
<b>Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2019.</b>	Nil
<b>Name of the Director</b>	Sri. Vipul Kumar Jain
<b>Date of Appointment (first appointment)</b>	11th June 2019
<b>Date of Birth/Age</b>	25 Years
<b>Expertise in Specific functional areas</b>	Business Activities
<b>List of other Public Companies in which Directorships held as on 31.03.2019.</b>	Nil
<b>Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2019.</b>	Nil



**Explanatory Statement**

[Pursuant to Section 102 of the Companies Act, 2013]

**Item No. 3 & 5 :****Appointment of Sri. Dipen Sajjan Sanghvi (DIN: 08476459), as Independent Director of the Company**

Pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ("Act") Mr. Dipen Sajjan Sanghvi (DIN: 08476459), was appointed by the Board of Directors as an Additional Director of the Company w.e.f 11th June 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, he fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day.

Hence, the above resolution at item no.3 & 5 are submitted to the meeting for the approval by the members of the Company.

The Board of Directors re-commends the above resolutions at item no.3 & 5 for the members' approval in the Annual General Meeting

None of the Directors and Key Managerial Persons of the Company is concerned or interested in this resolution.

**Item No. 4 & 6 :****Appointment of Sri. Vipul Kumar Jain (DIN: 08476476), as Independent Director of the Company**

Pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ("Act") Mr. Vipul Kumar Jain (DIN: 08476476), was appointed by the Board of Directors as an Additional Director of the Company w.e.f 11th June 2019 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, he fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day.

Hence, the above resolution at item no.4 & 6 are submitted to the meeting for the approval by the members of the Company.

The Board of Directors re-commends the above resolutions at item no.4 & 6 for the members' approval in the Annual General Meeting

None of the Directors and Key Managerial Persons of the Company is concerned or interested in this resolution.

## DIRECTORS' REPORT

To

The members of

**M/s. CUBEX TUBINGS LIMITED**

The directors have pleasure in presenting the 40<sup>th</sup> Annual Report of the Company together with the audited accounts for the year ended 31<sup>st</sup> March 2019.

### FINANCIAL RESULTS

(in Lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
<b>Income from operations</b>	<b>7485.30</b>	<b>5095.86</b>
<b>Other Income</b>	<b>199.28</b>	<b>248.97</b>
<b>Total Expenditure</b>	<b>7429.36</b>	<b>5124.16</b>
<b>Interest &amp; Bank Charges</b>	<b>50.35</b>	<b>31.11</b>
<b>Depreciation &amp; Amortization of Exp.</b>	<b>134.95</b>	<b>140.80</b>
<b>Provision for Tax</b>	<b>4.05</b>	<b>10.46</b>
<b>Net Profit</b>	<b>65.87</b>	<b>38.29</b>

### THE COMPANY'S PRODUCTS / SERVICES

CUBEX is manufacturer of seamless solid drawn Tubes, Rods, Bus bars and Wires of copper and copper based alloys such as Cupronickel, admiralty Brass, Aluminum Brass etc. Copper because of its high electrical conductivity and heat transfer characteristics finds wide application in the form of Tubes, Rods, Strips and Wires. The user industries are Power plants, Power plants manufacturers, Switchgears, Refineries, Furnace manufacturers, Sugar plants, Automobile, Electrical Equipment industries and Ship building Company.

### OPERATIONS

Your company has registered a total income of **Rs. 7684.58 lakhs** for 2018-19 as compared to **Rs. 5344.83 lakhs** for 2017-18 and the company posted a net profit of **Rs. 65.87 lakhs** for 2018-19 as compared to **Rs. 38.29 lakhs** for 2017-18.

### DIVIDEND

The Directors regret their inability to recommend dividend for the year under review due to insufficient profit.

### BUSINESS RISK MANAGEMENT

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. The threats to the segments in which the company operates are volatility in Exchange rate & Metal Prices. The company is concerned about the wide Fluctuations in Copper prices globally and locally and increase in foreign exchange value.

### DEPOSITS

The Company has not accepted deposits covered under Chapter V of the Companies Act, 2013 and accordingly, the disclosure requirements stipulated under the said Chapter are not applicable.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the company has not given any loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013



**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, except the remuneration to managerial personnel, there is no other related party transactions to be disclosed.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith elsewhere in the Annual Report.

**DEMAT SUSPENSE ACCOUNT UNCLAIMED SHARES**

As on 31<sup>st</sup> March 2019, there were no Equity Shares of Shareholders were lying in the Escrow Account due to non-availability of the correct particulars.

**CORPORATE GOVERNANCE**

Your Directors are happy to report that your Company is compliant with the Corporate Governance requirements as per the provision of SEBI (LODR) Regulations 2015. A separate section on Corporate Governance together with a certificate from the Statutory Auditor's confirming compliance is set out in the Annexure forming part of this report.

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

A Management Discussion and Analysis Report, has been attached and forms part of the Annual Report.

**ADDITIONAL INFORMATION AS REQUIRED U/ S 134(3)(m) OF THE COMPANIES ACT, 2013****(a) Conservation of Energy:**

The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.

- (i) the steps taken by the company for utilising alternate sources of energy - Nil
- (ii) the capital investment on energy conservation equipments - Nil

**(b) (i) Technology Absorption, adaptation and innovation:-** Indigenous Technology is involved for the manufacturing the products of the Company.

- (ii) Research and Development (R & D): No research and Development has been carried out.

**PARTICULARS OF EMPLOYEES**

The Directors are to report that none of the employee was in receipt of remuneration exceeding the limit prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

**STATUTORY AUDITORS**

The provisions of Section 139(2) of the Companies Act 2013 and the Rules made there-under, mandated the Company to rotate its Statutory Auditors and Board of Directors of the Company (on recommendation of Audit Committee) in its meeting held on 1st September 2017, has, (which was ratified by the shareholders in the Annual General meeting to held on 29th September 2017), approved the appointment of M/s. P C N & Associates., (FRN: 016016S), (formerly M/s. Chandra Babu Naidu & Co.), Chartered Accountants, as the Statutory Auditors of the Company for a period of Five Years.

**BOARD AND COMMITTEES PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Board has carried out an annual performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

**NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR AND THE DATES OF THE BOARD MEETINGS:**

The Board met Five times during the financial year 2018-2019.

The dates on which the above Board meetings were held are as follows;

30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 5<sup>th</sup> October 2018, 13<sup>th</sup> November 2018, and 14<sup>th</sup> February 2019.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors responsibilities Statement it is hereby confirmed:

- a. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- b. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March, 2019 and of the profit and loss of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**POLICIES****Material Subsidiary**

During the year ended March 31, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in the Companies Act 2013 & SEBI (LODR) Regulations 2015. The policy on determining material unlisted subsidiary of the Company is approved by the Board of Directors of the company.

**Vigil Mechanism**

The Board of Directors of the company are committed to maintain the highest standard of honesty, openness and accountability and recognize that employees have important role to play in achieving the goal. As a public company the integrity of the financial matters of the Company and the accuracy of financial information is paramount. The stakeholders of the Company and the financial markets rely on this information to make decisions. For these reasons, the Company must maintain workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to our shareholders, the Government or the financial markets. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Mr. Mahendra Kumar Ranka, Chairman of Audit Committee through email or by correspondence through post.

**Familiarisation programme for Independent Directors**

Pursuant to the provisions of SEBI (LODR) Regulations 2015, the Company has formulated a programme for familiarising the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc through various initiatives.

**Key Managerial Personnel**

Sri. Siva Prasad Sarva, Chief Financial Officer, and Mr. Ankit Choudhary, Company Secretary & Compliance officer of the Company are the Key Managerial Personnel of the Company in accordance with the Section 203 of the Companies Act, 2013.

**Related Party Transaction**

Policy on dealing with Related Party Transactions is approved by the Board

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons (except remuneration) which may have a potential conflict with the interest of the Company at large. The same was discussed by the Audit Committee as also the Board. The