



## ECOBOARD INDUSTRIES LIMITED

### 24<sup>TH</sup> ANNUAL REPORT 2014 - 2015

**REGISTERED OFFICE :** 65/1A, "Ecohouse", "Akarshak Building", Opp. Nal Stop, Karve Road, Pune-411004  
Tel.(020) 41080800 Fax.(020) 25465328

#### BOARD OF DIRECTORS

Mr. V.S Raju, Chairman  
Mr. G.R. K. Raju, Managing Director  
Mr. P. Satyanarayana Raju, Director  
(Resigned w.e.f. 28<sup>th</sup> March, 2015)  
Mr. Praveen Kumar Raju Gottumukkala, Director  
Dr. N.A Ramaiah, Independent Director  
Mr. Ramchandra Raju P.S, Independent Director  
Mr. U.S Kadam, Independent Director  
Mr. Narasimhan Krishnan, Independent Director  
Ms. Sujani Venkata Indukuri, Director

#### COMPANY SECRETARY

Ms. Shambhavi Wagle

#### AUDITORS

M/s. Chaturvedi SK & Fellows, Mumbai  
410, Dev Plaza, SV Road, Andheri (W), Mumbai - 400 058  
Tel. (022) 66943452 Fax (022) 66943453

#### REGISTERED OFFICE

65/1A, "Ecohouse", "Akarshak Building"  
Opp. Nal Stop, Karve Road, Pune-411004  
Tel.(020) 41080800 Fax.(020) 25465328  
E-Mail info@ecoboardindia.com  
Website:www.ecoboard.in

#### REGISTRAR & TRANSFER AGENTS

M/s Link Intime India Private Limited  
202-A, 2nd Floor, "Akshay Complex"  
Off Dhole Patil Road, Pune- 411 001  
Tel. (020) - 2616 0084 Fax (020) 2616 3503  
Email : pune@linkintime.co.in

#### BANKERS

Bank of Maharashtra  
Andhra Bank  
State Bank of India

#### Bio Systems Division

65/1A, "Ecohouse", "Akarshak Building"  
Opp. Nal Stop, Karve Road, Pune-411004  
Tel.(020) 25432345 Fax.(020) 25465328

#### Factory (Particle Bagasse board Division)

1. Village Velapur, Taluka Malshiras,  
District- Solapur, Maharashtra.  
Tel.(02185) 245261/62, Fax- (02185) 245203
2. Village Jambhulwadi, Taluka- Walwa,  
Dist: Sangli, Maharashtra.

#### BRANCHES

**West Zone :** Pune, Kolhapur  
**South Zone :** Hyderabad, Bangalore, Bhubaneshwar  
**North Zone:** Delhi, Bhopal, Kolkatta, Raipur

**Note : All correspondence shall be made to Registered Office address.**

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**“ GO GREEN” INITIATIVE BY THE COMPANY**

As a step towards “Green Initiative” in the Corporate Governance, Ministry of Corporate affairs has by allowing paperless compliances by the Companies and has issued Circulars stating that service of notice / documents including Annual Report can be sent by e- mail to its members. To support this green initiative of the Government , Members are requested to register their email addresses with Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd. at the Address:-

M/s Link Intime India Pvt. Limited Pune  
Block No. 202, 2nd Floor Akhay complex,  
Off Dhole Patil Raod,  
Pune- 411001  
Tel : 020-26100684  
Tele fax :- 020- 2616503  
Email: pune@linkintime.co.in

Also Report any change in the email ID that you have already registered with us.

## NOTICE

Notice is hereby given that the Twenty Forth Annual General Meeting of the Members of '**Ecoboard Industries Limited**' will be held on **Saturday, 26<sup>th</sup> September, 2015** at **11.00 a.m.** at Hotel Shangrila Gardens, Off Karve Road, Near Nal Stop, Pune – 411 005 to transact the following business as :

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Financial Statements of the Company on a standalone basis, for the financial year ended 31<sup>st</sup> March, 2015 including the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint Director in place of Mr. Atchutha Ramaiah Nanduri (DIN 01514989) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible offers himself for re-appointment.
3. To appoint Director in place of Mr. Narasimhan Krishnan (DIN 02071121) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible offers himself for re-appointment.
4. To appoint Director in place of Mr. G. R. K. Raju (DIN 01516984) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible offers himself for re-appointment.
5. To re-appoint auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next consecutive AGM and to fix their remuneration and 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 Section 139 of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s Chaturvedi SK & Fellows. Chartered Accountants, Mumbai, (Firm Reg. No. 112627W), be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM to the conclusion of the next consecutive AGM, and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all

such acts, matters and things as may be necessary to give effect to the above resolution."

### **Special Business:**

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

**"RESOLVED THAT** pursuant to provisions of Section 149,150,152 and other applicable provisions if any of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 and Clause 49 of the Listing Agreement, including any statutory modifications or enactment thereof from time to time, consent of the Shareholders be and is hereby accorded for appointment of Ms. Sujani Venkata Indukuri, who was appointed as Additional Director designated as Executive Director- "Administration" of the Company for a period of 5 (five) years with effect from 27<sup>th</sup> March, 2015, on the terms and conditions including remuneration as set out in the Explanatory statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred as "the Board" which term shall be deemed to include any committee of the Board to exercise its powers, including powers conferred by this resolution) to alter and vary terms and conditions of the said appointment including remuneration, subject to the condition that the aggregate of the remuneration, perquisites/ benefits as applicable, payable to Ms. Sujani Venkata Indukuri shall be within the limits prescribed under the Companies Act , 2013 and rules there under including any amendment thereto from time to time.

**RESOLVED FURTHER** that the Board be and is hereby authorized to do all acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board of Directors,  
For Ecoboard Industries Ltd**

Place : Pune.  
Date : 14.08.2015

Sd/-  
**V.S. Raju**  
Chairman

## NOTES

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting. The proxy form is enclosed to the report.**

**A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.**

**Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.** While attending the meeting the members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

2. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed
3. The Register of Members and Share Transfer Register will remain closed from Monday, 21<sup>st</sup> September, 2015 to Saturday, 26<sup>th</sup> September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
4. 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.
5. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents **M/s Link Intime India Private Limited, 202-A, 2<sup>nd</sup> Floor, "Akshay Complex", off Dhole Patil Road, Pune – 411 001.**
9. Additional information pursuant to Clause 49 IV (G) of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-

appointment at the AGM is also furnished through the explanatory statement and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
11. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
12. E-voting facility

Pursuant to provisions of section 108 read with rule 20 of Companies (Management and Administrative) Rules 2014, and clause 35B of listing agreement all the members have option to transact the business and cast their votes in respect of the business through electronic voting system. This facility of e-voting is not in derogation of but in addition to attending the meeting personally / through proxy/ through authorized representative.

The Company is pleased to provide members such e-voting facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

Process for e-voting:

The Company has signed an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Shareholders to cast their vote electronically. Each voter may follow the following steps while e-voting:

The instructions for shareholders voting electronically are as under:

- (i) The voting period is open for two days and begins on 21<sup>st</sup> September, 2015, at 10.00 a.m. and ends on 22<sup>nd</sup> September, 2015 at 10.00 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 28<sup>th</sup> August, 2015 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
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 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

	For Members holding shares in Demat Form and Physical Form
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> <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	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <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>

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 the company Ecoboard Industries Limited 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.
- (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 Corporate.
- 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) Voting, can be exercised only by the shareholder or his/her duly constituted attorney or, in case of bodies corporate, the duly authorized person.
- (xxi) A member need not use all his/her votes.
- (xxii) The Company has appointed CS Ujwal Nikam, Company Secretaries as the Scrutinizer for conducting the e-voting process in fair and transparent manner who would submit his report within three working days from conclusion of e-voting to the chairman of the meeting.
- (xxiii) Subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of the Annual General Meeting.

**By Order of the Board of Directors,  
For Ecoboard Industries Ltd**

Place : Pune.  
Date : 14.08.2015

Sd/-  
**V.S. Raju**  
Chairman

## Explanatory Statement Pursuant to the provisions of Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No. 6 of the accompanying Notice dated 14<sup>th</sup> August, 2015.

### Item Nos. 6 in the notice

Based on recommendation of the Nomination & Remuneration Committee of the Board the Board of Directors of the Company had appointed Ms. Sujani Venkata Indukuri as an Additional Director of the Company, in the category **Executive Director**, with effect from 27<sup>th</sup> March, 2015. Ms. Sujani Venkata Indukuri holds office till the date of this Annual General Meeting.

The company has received a notice in writing under the provisions of section 160 of the Companies Act 2013 from a member along with the deposit of Rs. 100000/- proposing the candidature of Ms. Sujani Venkata Indukuri as **Executive Director** to be appointed as such under the provisions of section 149 of the Companies Act, 2013. The company has received from Ms. Sujani Venkata Indukuri,

- i. Consent in writing to act as a director in the Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub section (2) of section 164 of The Companies Act, 2013 and

The Board of Directors of the Company at its meeting held on 14<sup>th</sup> August, 2015, had approved appointment of Ms. Sujani Venkata Indukuri as an **Executive Director-“Administration”** of the Company for a period of 5 years with effect from 27<sup>th</sup> March, 2015 on the terms as detailed herein:

#### (1) Tenure

The appointment of Ms. Sujani Venkata Indukuri as the Executive Director shall be for a period of 5 years from 27<sup>th</sup> March, 2015.

#### (2) Remuneration

##### 1. Basic Salary:

The Basic Salary of Ms. Sujani Venkata Indukuri shall be Rs. 1,20,000/- with authority to the Board of Directors to determine any merit based increase in the Basic Salary within the range of Rs. 1,20,000-10,000-1,50,000 per month.

##### 2. Commission:

@ 1% of Net profits of the Company in any financial year, subject to the maximum as may be laid down by the Board of Directors from time to time.

### 3. Perquisites:

In addition to the aforesaid salary and commission, the Director shall also be eligible for the following perquisites, viz;

- a. House Rent Allowance / Rent free Accommodation as per rules of the Company;
- b. Medical Expenses reimbursement for self & family at actuals;
- c. Leave Travel Concession: Return first class passage by Air, Sea, Rail and/or Road for a period not exceeding 30 days, once a year, anywhere in the world and reimbursement of lodging and boarding and other incidental expenses during that period for self and family;
- d. Entertainment Expenses at actuals;
- e. Club fees at actuals (excluding admission fees);
- f. Expenses of domestic servants, personal Gardner and personal driver – reimbursement at actuals;
- g. Expenses for books, periodicals and newspapers – reimbursement at actuals;
- h. Medical Insurance-provided by the company
- i. Personal Accident Insurance-provided by the company
- j. Company car with driver for official purposes;
- k. Telephone at residence;
- l. Casual, Sick and Annual Earned Leave shall be as per the rules of the Company. Perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in absence of any such rules, the same shall be evaluated at actual cost.

### 4. Minimum Remuneration:

Notwithstanding anything contained hereinabove, where in any financial year during the currency of her tenure as Whole time Director, the Company has no profits or its profits are inadequate, the remuneration payable to her by way of salary, perquisites and other allowances shall be limited to the limits laid down in Schedule V of the Companies Act 1956.

### 5. Additional Perquisites:

In addition to the salary, commission and perquisites referred above, she shall also be eligible

for the following perquisites which shall not be included in the computation of ceiling on remuneration, viz.

She is also be eligible for Gratuity as per the companies policy, Encashment of leave at the end of the tenure. Such resolution may be passed as an ordinary resolution.

Your Board recommends the Ordinary Resolution as detailed in Item no. 6, for your approval.

None of the Directors except Mr. V. S. Raju, Chairman, Mr. G. R. K. Raju, Managing Director,

Mr. G. P.K. Raju, Executive Director of the Company, are in any way concerned or interested in this resolution.

**By Order of the Board of Directors,  
For Ecoboard Industries Ltd**

Place : Pune.  
Date : 14/08/2015

Sd/-  
**V.S. Raju**  
Chairman



## DIRECTORS' REPORT

To,  
The Members of  
**Ecoboard Industries Limited**

The Directors take pleasure in presenting the 24<sup>th</sup> Annual Report together with the audited financial statements for the year ended 31<sup>st</sup> March, 2015. The Management Discussion and Analysis Report have also been incorporated into this report.

Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise, and thus certain information which is required in directors report is clubbed elsewhere and has to be read as a part of directors' report.

### 1. FINANCIAL SUMMARY / HIGHLIGHTS

(Rs. In Lakhs)

Particulars	Current Year 2014-15	Previous Year 2013-14
Profit/ Loss before interest, depreciation, exceptional items and tax	<b>(204.36)</b>	(89.24)
<b>Less:</b> Interest	<b>407.17</b>	384.31
<b>Less:</b> Depreciation	<b>116.54</b>	337.20
Profit/(Loss) for the year from ordinary activities	<b>(728.07)</b>	(810.75)
Add: Exceptional income	<b>54.87</b>	0
Profit/(loss)before Tax	<b>(673.20)</b>	(810.75)
Less: Provision for tax	<b>0</b>	0
<b>Profit/(Loss) for the period from continuing operation</b>	<b>(673.70)</b>	(810.75)
Profit/(Loss) for the period from discontinuing operation	<b>(25.61)</b>	(87.38)
Tax expenses of discontinuing operation	<b>(0)</b>	(0)
<b>Profit/(Loss) for the period From discontinuing operation</b>	<b>(698.81)</b>	(898.13)
<b>Profit/( loss) for the period</b>		
Balance brought forward	<b>(698.81)</b>	(898.13)
Surplus for the year	<b>(698.81)</b>	(898.13)
Balance carried to Balance Sheet		

#### Financial performance

During the year 2014-15 your company has made turnover of Rs. 1862.52/- Lakhs as compared to turnover of the previous financial year of Rs. 2860.72/- Lakhs, whereas Loss for the year is Rs. 698.81/- Lakhs as against Rs. 898.81/- Lakhs in the previous financial year. Boards of Directors are confident that the business of the Company will flourish in future and the turnover and profitability of the Company will improve.

Year	<b>Sales performance (Rs. Lacs)</b>	<b>PBT (Rs. Lacs)</b>	<b>PAT (Rs. Lacs)</b>	<b>EPS (Rs. Lacs)</b>
2011	4294.54	(399.57)	(399.57)	(2.24)
2012	3275.50	(208.57)	(208.57)	(1.17)
2013	3731.05	(592.65)	(690.89)	(3.87)
2014	2807.82	(810.75)	(898.13)	(5.04)
2015	1693.28	(673.20)	(698.81)	(3.92)

As already informed, your Company has taken up the works of setting a new production line at its Velapur unit for production of 8'x4' size particle boards from bagasse and of improving material preparation section of particle boards line of 13.5' x 6' size boards.

Due to work on this project, production of particle boards on existing line of 13.5'x6' boards was suspended in April 2014 as a result the Sales Revenue for Company's Product has gone down during the financial year 2014-15 as compared to last year.

Further we are pleased to inform you that Company has completed the work of improving material preparation section of board line and has re-started production of particle boards of 13.5'x6' size. However Work on setting up of new production line is still in progress. During this period from April 2014 to February 2015, Company carried activity of only laminating plain particle boards.

Management is hopeful that the decision of Modification of existing line of 13.5'x6' boards and also setting up of New production line at its Velapur unit will result in:-

- a) Reduction in our cost of Production on account of reduction in power consumption by at least 25%.
- b) Reduction in ratio of Raw material consumption and inputs.
- c) Reduction in manpower on account of automation.
- d) Increase in penetration in the market aggressively 8' x 4' boards which presently we are unable to market.
- e) With added capacity derive the benefit of Economics of Scale.

Management sincerely feels that, this will not only help the company to cover up the losses but also to gain profit in near future.

Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

## 2. DIVIDEND

In view of paucity of funds in the current year and due to counting losses, the Board of Directors does not recommend any dividend for the F.Y. 2014-15.

The unclaimed dividend pertaining for the year ended March, 2008 will be transferred to Investor Education and Protection Fund this year.

The unclaimed dividend pertaining for the year ended March, 2009 will be transferred to the Investor Education & Protection Fund after the period of 7 years.

## 3. DIRECTORS AND KMP:

The details of Appointment, reappointment and retiring by rotation of Directors and Key Managerial Persons (KMP) are included in Corporate Governance Report, and forms part of the director's report as "Annexure B".

## 4. SEGMENT WISE AND PRODUCT-WISE OPERATIONAL PERFORMANCE:

The details are given under Notes to Accounts of financial statements.

## 5. DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the loss of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared 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.