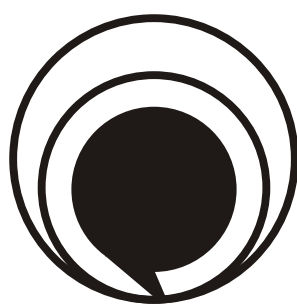


**GIRDHARILAL SUGAR
AND ALLIED INDUSTRIES LIMITED**



**26th Annual Report
2014-15**

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Printed Matter Inside

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If undelivered, please return to :
**GIRDHARILAL SUGAR AND ALLIED
INDUSTRIES LIMITED**
45/47-A, INDUSTRIAL AREA NO.1,
A.B. ROAD, DEWAS 455 001 (M.P.)

CORPORATE INFORMATION

<p>Board of Directors</p> <ol style="list-style-type: none"> 1. Mr. Rajesh Agrawal- Chairman & Managing Director 2. Mr. Dr. Sadhuram Sharma- Non Executive Independent Director 3. Mr. Ram Gopal Agrawal- Non Executive Independent Director 4. Mrs.Sangeeta Agrawal- Additional Women Director 	<p>Committees of Directors</p> <p>Audit Committee</p> <ol style="list-style-type: none"> 1. Mr. Dr. S.R. Sharma- Chairman 2. Mr. Ram Gopal Agrawal-Member 3. Mr. Rajesh Agrawal-Member <p>Nomination & Remuneration Committee</p> <ol style="list-style-type: none"> 1. Mr. Dr. S.R. Sharma- Chairman 2. Mr. Ram Gopal Agrawal-Member 3. Mr. Rajesh Agrawal-Member <p>Stakeholders Relationship Committee</p> <ol style="list-style-type: none"> 1. Mr. Dr. S.R. Sharma- Chairman 2. Mr. Ram Gopal Agrawal-Member 3. Mr. Rajesh Agrawal-Member
<p>Company Secretary Mr. Vishu Dutt Sharma</p> <p>Compliance Officer Mr. Manoj Naik</p>	<p>Registrar & Share Transfer Agent Purva Sharegistry India Private Limited 9, Shiv Shakti, Ind. Estt, J R Boricha Marg, Near Lodha Excellus, Lower Parel (E) Mumbai- 400 011 www.purvashare.com</p>
<p>Registered Office 45/47-A, Industrial Area No.1 A.B.Road Dewas, Madhya Pradesh-455001</p>	<p>Auditors M/S. M. Mehta & Co. Chartered Accountants, Indore</p>
<p>Bankers Canara Bank</p>	<p>Corporate Identification Number : L15424MP1989PLC005564</p>

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NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the members of the Company will be held on Wednesday 30th September, 2015 at the registered office of the Company at 45/47-A, Industrial Area No.1, A.B.Road Dewas, Madhya Pradesh-455001 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements for the year ended as at March 31, 2015, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajesh Agrawal (DIN: 00107009) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/S. M. Mehta & Co. Chartered Accountants, Indore (M.P.) (Firm Registration Number 000957C), the retiring Auditors pursuant to provisions of Section 139 of the Companies Act, 2013 be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Managing Director”

SPECIAL BUSINESS :

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

“RESOLVED THAT Smt. Sangeeta Agrawal, who was appointed as an Additional Director by the Board of Directors of the Company pursuant to sub section (1) of Section 161 of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing, under Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose Smt. Sangeeta Agrawal as a candidate for the office of a Director of the Company, together with the deposit of one lakh rupees be and is hereby appointed a Director of the Company liable to retire by rotation.”

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

“RESOLVED THAT in supersession of the resolution passed under section 293(1)(a) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 29th September, 1999 and pursuant to section 180(1)(a) and other applicable provisions of the Companies Act, 2013 as amended from time to time the consent of the Company be and is hereby accorded to creation by the Board of Directors of the Company

(hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding rupees 150 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.”

“RESOLVED FURTHER that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.

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 180(1) (c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include a Committee of the Board) for borrowing any sum or sums of monies from time to time for the purpose of the Company's business on such terms and conditions and with or without security from any bank, financial institution or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board, notwithstanding that the sum or sums of monies to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the

ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of rupees 150 Crores (Rupees One Crore Fifty Lacs only) over and above the paid up capital of the Company and its free reserves;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may consider necessary desirable, expedient, usual or proper to give full effect to this resolution."

7. 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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

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

Place: DEWAS (M.P.)
Date: 31st July, 2015

FOR AND ON BEHALF OF THE BOARD
RAJESH AGRAWAL
CHAIRMAN & MANAGING DIRECTOR

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR THE HOLDING THE MEETING.
2. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking re-appointment /

appointment as Directors under Item No. 2 of the Notice, are annexed hereto.

4. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the business under Item nos. 4 to 7 is annexed hereto.
5. Members/ Proxies are requested to bring along with them Annual Reports being sent to them and should bring the attendance slip sent herewith, duly filled, in order to attend the meeting.
6. The Share Transfer Book and Register of Members of the Company will remain closed from 21st September 2015 to 30th September, 2015 (both days inclusive) for the purpose of Annual General Meeting of the Company.
7. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
8. The Register of Director's Shareholding maintained under section 170 of the Companies Act, 2013, will be available for inspection at the venue to the Annual General Meeting of the company during the Annual General Meeting. The Register of Director's Share Holding is also available for inspection of the members at the registered office of the company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.
9. The Company has connectivity from the CDSL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. In case of any query / difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Purva Share Registry India Private Limited 9, Shiv Shakti, Ind. Estt, J R Boricha Marg, Near Lodha Excellus, Lower Parel (E) Mumbai- 400 011
10. To promote green initiative as per circular issued by Ministry of Corporate Affairs in 2011, Members are requested to register their e-mail addresses through their Depository Participant where they are holding their Demat Accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

Voting Through Electronics Means

-The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 10.00 A.M. 21st September, 2015 and ends on 6.00 P.M. 22nd September, 2015. 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 21/08/2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members holding shares in physical or in demat form as on August 21, 2015 shall only be eligible for e-voting.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on Shareholders tab.
- (vi) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (vii) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (x) 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"> 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. 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. |
- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) 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.
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xv) 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.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) 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.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) **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 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.

- 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 linked in the login should be mailed to 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 and the email ID of scrutinizer is lohiarajesh@rediffmail.com.

(xxii) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 2 - Brief profile of director, who retires by rotation and offers himself for re-appointment.

Shri Rajesh Agrawal, aged about 52 years is the Chairman & Managing Director of the Company. He is one of the Promoters of the company. He is Commerce graduate and MBA from Devi Ahilya Vishwavidhyalaya Indore, and having more than 24 years of rich experience in the field of Business management and forming the policies relating to Marketing and Human Resource Development.

He also holds Directorship in our Promoter Group Company Premier Proteins limited, since 1987.

None of the Directors, except Shri Rajesh Agrawal and Smt. Sangeeta Agrawal or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 2 to be passed as an ordinary resolution

As Special Business

Item No. 4

Smt. Sangeeta Agrawal was appointed as an Additional Women Director w.e.f. March 18, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the

ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Smt. Sangeeta Agrawal candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Smt. Sangeeta Agrawal on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

None of the Directors, except Smt. Sangeeta Agrawal and Shri Rajesh Agrawal or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

Item No. 5

At the Annual General Meeting of the Company held on September 29, 1999, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(a) of the Companies Act, 1956, approved the creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. up to Rs. 150 crore, including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Directors recommend the Resolutions at Item No. 5 of the accompanying Notice for the approval of the Members of the Company as special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No. 5 of the notice

Item No. 6

Section 180(1) (c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money, where the money to be borrowed, together with the money already borrowed by the Company not exceed aggregate of its paid-up share capital and free reserves, apart from temporary loan obtained from the Company's bankers in the ordinary course of business, except with the consent of the company accorded by way of Special Resolution. The Board recommends the passing of Special

Resolution at Item No.6 of the Notice.

None of the Directors or Key Managerial Personnel or their relatives of the Company is either directly or indirectly are interested or concerned in the proposed resolution.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor M/s M.Goyal & Co., Cost Accountant (Firm Reg. No. 000051) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, the audit fees will be 30000 /- Ind. Service Tax (Rupees Thrity Thousand only).

In accordance with the provisions of Section 148 of the

Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board Recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Shareholders

Place: DEWAS (M.P.)

Date: 31st July, 2015

FOR AND ON BEHALF OF THE BOARD

RAJESH AGRAWAL

CHAIRMAN & MANAGING DIRECTOR

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

Particulars	Date of Birth	Date of Appointment	Qualifications	Expertise in specific functional areas	Chairmanships/ Directorships of other Companies (excluding foreign companies and Section 25 companies)	Chairman ships / Memberships of committees of other Public Companies	Number of shares held in the Company
Mrs. Sangeeta Agrawal	02/12/1963	18.03.2015	B.A.	Business Management	Manthan Milk Products Private Limited. Vastu Commodities Private Limited.	-	437600
Shri Rajesh Agrawal	03/03/1963	08.02.1993	B.Com, MBA	Business Management	Premier Proteins Limited	Premier Proteins Limited	985800

DIRECTOR'S REPORT

Dear Shareholders,

Your directors are pleased to present the Twenty Sixth Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2015.

1. Financial Highlights

The highlights of the financial results of the Company for the year ended 31st March, 2015 is summarized below

Particulars	(Rs in Lacs)	
	2014-2015	2013-2014
Sales, Interest and other receipts	13656	6676
Gross Profit before financial cost & Depreciation & Exceptional Items	664	(144)
Financial Cost	112	86
Depreciation	47	49
Profit for the year	505	(279)
Less: Tax Expenses	180	36
Balance	325	(243)
Balance brought forward from last year	463	706
Balance Carried to Balance Sheet	788	463

2.Operational Highlights & Future Prospects

Your Directors had, in the last report, informed the members that Hon'ble BIFR, vide its order dt. 15/01/2014, had sanctioned merger of earstwhile Premier Industries (India) Ltd.(Transferor Company) with our company ie, Girdharilal Sugar And Allied Industries Ltd. (Transferee company) with all Assets and Liabilities at its fair value w.e.f. 01/04/2013. The company has since complied with most of the requisite formalities.

The current financial year was overall favorable for the company, mainly for the Dairy business. During the year under consideration the company's turnover and other receipts stands at Rs.13656 Lacs as against Rs.6676 Lacs achieved during last year. The year ended with a net profit of Rs.325 Lacs after considering interest, depreciation and deferred tax as against Net loss of Rs.243 Lacs in the previous year.

During the year the Company has processed 18802 MT of Soya been seed as against 1220 MT in the previous year. Similarly, the company has refined 92 MT of crude oil in its Refinery as against 478 MT in the previous year. The Soya Division recorded a net turnover and other receipts of Rs.6480 Lacs as against Rs. 1978 Lacs in the previous year.

In Dairy division the company has processed 18093 KI of Milk and 748 Mt of S.N.F. (including 5881KI of Milk on job work basis) as against 9689 KI of milk and 353 Mt of

S.N.F/Fat in the previous year (Including Nil KI on job work basis) and has achieved a turnover of Rs.7176 Lacs as against Rs.4698 Lacs achieved in the previous year.

The Soya Industry continues to underperform during this year. The price of soya been continues beat a higher level due to huge demand and speculative tendency. On the other hand, the realization of soya oil as well as soya De-oiled cakes was subdued due to import of oil and depressed market conditions. Moreover, the cost of other inputs and consumables had increased. This resulted in disparity in the operations. However, the Dairy operations were quite favorable during the year. The company has achieved satisfactory capacity utilization by processing milk for self as well as on behalf of other reputed parties mainly Govt. milk federations.

Your Directors may inform that the Company's programme for modernization of Plant & Equipments of both Soya and Dairy Division including Boiler etc.has completed during this financial year i.e. by the end of May 2015. The modernization program will result in net saving in cost of production. The Company further expects to stabilize soya and dairy operations in the current year. All these measures will improve the bottom-line of the Company in the near future.

During the year the company has closed its corporate office at 106/107 Chetak Centre, R.N.T.Marg, Indore due to administrative reasons and is now operating from its

registered office cum factory premises at 45/47 A Industrial Area No. 1, Agra Bombay Road, Dewas (M.P).

3.Share Capital

During the year, the company has issued 578887 fully paid up equity shares of Rs.10/each, aggregating to Rs.5788870 to the shareholders of Premier Industries (India) Ltd.(Tranferor Company) in the ratio of 1:10(one share for every 10 share held by shareholders in Premier Industries (I) Ltd.).in terms of BIFR order dt. 15/01/2014.

The company has already made application to BSE/CDSL for listing/admission of aforesaid 578887 shares and expects to get their approval shortly.

4. Dividend

Due to financial prudence, no dividend is declared.

5. Directors

During the year, Smt. Sangeeta Agrawal (DIN 00419726) was appointed as Additional Women Director w.e.f. 18.03.2015 of the Company by the Board in terms of Section 161 of the Companies Act, 2013. She holds office up to the date of the ensuing Annual General Meeting of the Company. The Company has received notice in terms of Section 160 of the Companies Act, 2013 for appointment of Smt. Sangeeta Agrawal as Director liable to retire by rotation.

Shri Rajesh Agrawal (DIN: 00107009) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

All the appointments of the Directors of the Company are in compliance with the provisions of Section 164 (2) of The Companies Act, 2013.

6. Deposits

During the year under review, your Company has not accepted any fixed deposits under Section 73 of the Companies Act, 2013.

7. Fixed Assets

During the year the company has started implementing the modernization programme in terms of BIFR order dt 15/01/2014 for which Canara Bank has sanctioned and disbursed Term Loan. Till 31/03/2015 the company has incurred capital expenditure of Rs.1003 Lacs which is shown as Capital work in progress under the head Fixed Assets. Canara Bank has also disbursed Term Loan of Rs.720 Lacs till 31.03.2015. The Fixed Assets are adequately insured.

8. Management Discussion and Analysis

The Management's Discussion and Analysis of operations for the year under review, as stipulated under

clause 49 of the listing agreement with the stock exchanges, is provided in annexure attached to this report.

9. E-Voting Facility

The Company has also taken steps for providing e-voting facility to the shareholders of the company and are in the process of complying with necessary formalities in this regard.

10. Appointment of Cost Auditor

As per the Companies (Cost Records and Audit) Rules, 2014 the Company has appointed M/s. M.Goyal & Co., Cost Accountants, Indore (M.P.), as the Cost Auditors for the purpose of conduct of Cost Audit of the Cost Accounting Records of the Company for the Financial Year 2015-2016

11. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they 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 and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant