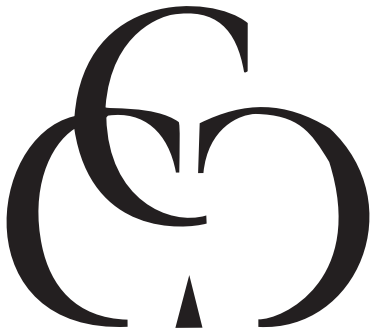


21ST
ANNUAL REPORT 2014-15

METAL COATINGS (INDIA) LIMITED

CORPORATE INFORMATION

DIRECTORS	**R. C. Khandelwal**	Chairman of the Board
	Pramod Khandelwal	Managing Director
	A. P. Khandelwal	Whole-Time Director
	V. K. Hajela	Independent Director
	S.K. Gupta	Independent Director
	Neha Gupta	Independent Director

AUDITORS

Vinod Kumar & Associates
Chartered Accountants
909, Chiranjiv Tower, 43, Nehru Place,
New Delhi-110019

BANKERS

Canara Bank
36-37, Community Centre,
East of Kailash, New Delhi-110 065

The Hongkong and Shanghai Banking Corporation Ltd.
25, Barakhamba Road, New Delhi-110 001

REGISTERED OFFICE

912, Hemkunt Chambers,
89, Nehru Place,
New Delhi -110019
CIN: L74899DL1994PLC063387
Tel No: 011-41808125
Email Id: info@mcilindia.net
Website: www.mcil.net

WORKS

(i) Sector – 45, Meola Maharajpur,
Faridabad – 121003.

(ii) Plot No. 113, HSIIDC Industrial Estate,
Sector – 59, Faridabad – 121004.

21ST ANNUAL GENERAL MEETING

Day	:	Monday
Date	:	24th August, 2015
Time	:	10.30 a.m.
Venue	:	Robotics Hall, ISKCON Complex, Sant Nagar Main Road, East of Kailash, New Delhi-110065

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DIRECTORS' REPORT

To

The Members,

The Directors of your Company have pleasure in presenting their **Twenty First Annual Report** of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

(Rs. in lacs)

Particulars	For the year ended 31.3.2015	For the year ended 31.3.2014
Total Revenue	11461	10990
Operating Profit	483	506
Depreciation	77	73
Finance Cost	199	177
Provision for Tax & Adjustments	66	74
Net Profit	**141**	**182**

PERFORMANCE REVIEW / STATE OF AFFAIRS OF THE COMPANY

During the year under review, the Company registered a modest increase in total revenue to 11,461 Lacs, up from 10,990 lacs in the previous year. The increasing cost however kept the profitability under pressure which led to a decline in the profits of the Company.

The Company continues to embrace sustainability as a critical pillar of its business strategy with increased use of alternative energy source with an eye on both cost as well as environmental concern. Significant steps to reduce environmental pollution such as use of natural gas in place of fuel oils were taken during the year, besides identifying more such projects in the coming years.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report during the year under review.

CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business of the Company.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 1.00 per equity share for the year ended 31.03.2015. The dividend, subject to approval of Members at the ensuing Annual General Meeting, will be paid within a period of thirty (30) days from the date of declaration of dividend, to those members whose names appear in the Register of Members of the Company as on close of business hours on Monday, 17th day of August, 2015. The dividend payout will be Rs. 87.92 lacs including dividend distribution tax of Rs. 14.65 Lacs.

RESERVES & SURPLUS

The Company doesn't propose to transfer any amount into the general reserve. The entire amount of Rs. 141 Lacs is proposed to be retained in the surplus.

BOARD OF DIRECTORS

Mr. R.C. Khandelwal, Director of the Company, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Kishan Lal Gupta resigned from the services of the Company, effective from 13th August, 2014. The Board conveys its deep sense of appreciation for the services rendered by him during his tenure as Independent Director.

Ms. Neha Gupta was appointed as Additional Independent Director of the Company w.e.f. 13th August, 2014 and the same was regularised by the shareholders of the Company in the 20th Annual General Meeting held on 23.09.2014.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of Companies Act, 2013 and rules made thereunder, Mr. R.A. Sharma, has been designated as Chief Financial Officer of the Company w.e.f 13.08.2014 and Ms. Rupali Aggarwal, has been designated as Company Secretary & Compliance Officer of the Company w.e.f. 09.03.2015.

Ms. Anu Kumari (Company Secretary) has resigned from the services of the Company, effective from 01st November, 2014 and in her place Mr. Niraj Kumar Jha was appointed as Company Secretary of the Company with effect from 01st November, 2014 who has resigned from the services of the Company, effective from 28th February, 2015. The Board conveys its deep sense of appreciation for the services rendered by them during their tenure as Company Secretary.

COST AUDITORS

The Board has appointed Mr. Ramawatar Sunar, Cost Accountant for conducting the Audit of Cost records of the Company for the financial year 2014-15.

DEPOSITS

The Company has not accepted any deposit during the Financial Year 2014-15 and ,as such, no amount of principal and interest was outstanding as on Balance Sheet date.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and /or banks during the period under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or guarantee and has not made any investment covered under the provisions of section 186 of the Companies Act, 2013 in the securities of any other bodies Corporate during the financial year ended 31st March, 2015.

RELATED PARTY TRANSACTIONS

All the transactions done with Related parties for the year under review were on arm's length basis and are in compliance with the applicable provisions of the Act and Listing Agreement.

There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee of the Company for its approval. The particulars of contracts entered during the year are shown in the prescribed Form AOC-2 which is enclosed as **Annexure-1**. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website i.e. www.mcil.net

AUDITORS AND AUDITORS' REPORT

M/s Vinod Kumar & Associates, Chartered Accountants, the auditors of your Company will retire at the ensuing Annual General Meeting and being eligible are proposed to be re-appointed from the conclusion of the 21st Annual General Meeting to the conclusion of next Annual General Meeting. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with section 141 of the Companies Act, 2013. There are no auditors qualification in the audit report for the year ended 31st March, 2015.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed **Manju Laur and Associates**, a firm of Company Secretaries in Practice (F.R. No. 4557) to conduct the Secretarial Audit of the Company. The Secretarial Audit Report for the year 2014-15 forms part of this Annual Report and is annexed as **Annexure-2.** There is no secretarial audit qualification for the year under review.

SUBSIDIARIES /JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with the stock exchange, a detailed Corporate Governance Report has been given in this report, along with the Management discussion and analysis report, which forms an integral part of the Annual Report. A certificate from Kailash Chandra Pandey, (C. P. No. 14348) a Company Secretary in Practice, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached and forms part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013 your directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) 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 and of the profit and loss of the company for that period;

(c) 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) the directors have prepared the annual accounts on a going concern basis;

(e) proper internal financial controls were in place and that these internal financial controls were adequate and operating effectively.

(f) the directors, have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all independent directors in accordance with the provisions of Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and clause 49 of the listing agreement.

BOARD COMMITTEES (COMPOSITION AND HIGHLIGHTS OF DUTIES AND RESPONSIBILITIES)

a) Audit Committee:

The Audit Committee comprises of Mr.V. K. Hajela, Chairman, Mr. S.K Gupta and Ms. Neha Gupta as members of the Committee. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Mr.V. K. Hajela, Chairman, Mr. S.K Gupta and Ms. Neha Gupta as members of the Committee. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors.

c) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of Mr. S.K Gupta, Chairman, Mr. Pramod Khandelwal and Mr. R. C. Khandelwal as members of the Committee. The Committee, inter-alia, reviews issue of duplicate certificates and oversees and reviews all matters connected with the Company's transfers of securities. It looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. and such other functions as may be specifically delegated to the Committee by the Board from time to time.

BOARD EVALUATION

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report and forms part of this report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated Vigil Mechanism /Whistle Blower Policy for employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower. The Whistle Blower policy as approved by the Board has been uploaded on the website of the Company i.e. www.mcil.net

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed as **Annexure-3** and forms an integral part of this report.

RISK MANAGEMENT POLICY

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy has been uploaded on the website of the Company i.e. www.mcil.net

EXTRACT OF ANNUAL RETURN

According to the provisions of section 92(3) of the Companies Act, 2013 the prescribed Form MGT-9 (Extract of Annual Return) is annexed as **Annexure-4** and forms an integral part of this report.

DETAILS OF BOARD MEETINGS HELD DURING THE YEAR

6 Board Meetings were held during the year ended 31.03.2015. The dates on which the meetings were held are as follows: 30.05.2014, 13.08.2014, 14.11.2014, 07.01.2015, 11.02.2015 and 18.03.2015. The Company has held at least one meeting in every three months and the maximum time gap between any two meetings was not more than four months.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors are furnished hereunder:

S. No	Name	Designation	Remuneration for fiscal 2015 (Rs. in lacs)	Remuneration for fiscal 2014 (Rs. in lacs)	% Increase of remuneration in 2015 as compared to 2014 #	Excl WTD	Incl WTD	Ratio of Remuneration to	
						Ratio of Remuneration to MRE#	Ratio of Remuneration to MRE#	Total Income (Fiscal 2015)#	Net Profit (Fiscal 2015)#
1	Mr. Pramod Khandelwal	Managing Director	93.00	30.00	210.00	90.12	89.60	0.01	0.66
2	Mr. R. C. Khandelwal	Chairman and Whole-time director	93.00	22.50	313.33	90.12	89.60	0.01	0.66
3	Mr. A. P. Khandelwal	Director	15.00	15.00	-	14.53	14.45	-	0.11
4	Mr. R. A. Sharma	CFO (KMP)	12.36	11.04	11.96	11.98	11.91	-	0.09
5	Ms. Rupali Aggarwal*	CS (KMP)	0.23	-	-	3.49	3.47	-	0.03
6	Mr. Niraj Kumar Jha*	CS (KMP)	0.79	-	-	2.33	2.31	-	0.02
7	Ms. Anu Kumari*	CS (KMP)	1.44	2.11	18.01	2.41	2.40	-	0.02

WTD : Whole-time Director, **MRE** : Median Remuneration of Employees, **KMP** : Key Managerial Personnel, **CS** : Company Secretary, **CFO** : Chief Finance Officer

#Based on Annualized Salary,

*Ms. Anu kumari has resigned effective from 01.11.2014 and Mr. Niraj Kumar Jha was appointed as Company Secretary effective from 01.11.2014 who has resigned effective from 28.02.2014 and Ms. Rupali Aggarwal was appointed in his place effective from 09.03.2015.

1. The median remuneration of employee (MRE) excluding Whole-time Director (WTDs) was Rs. 103200/- and Rs. 98400/- in fiscal 2015 and 2014 respectively. The increase in MRE (excluding WTDs) in fiscal 2015, as compared to fiscal 2014 is 4.9%.
2. The median remuneration of employee (MRE) including Whole-time Director (WTDs) was Rs. 103800/- and Rs. 99600/- in fiscal 2015 and 2014 respectively. The increase in MRE (including WTDs) in fiscal 2015, as compared to fiscal 2014 is 4.2%.
3. The number of permanent employee on the rolls of the Company as of 31st March, 2015 and 31st March, 2014 were 96 and 85 respectively.
4. There is no variable component in the remuneration of Directors and other KMPs.
5. During fiscal 2015, no employee received remuneration in excess of highest-paid director.
6. The total revenue growth during fiscal 2015 over 2014 was 4.3% however net profit was declined by 22.5%. The aggregate remuneration of employees excluding WTDs grew by 16.9% over the previous fiscal. The aggregate increase in salary for WTD and other KMP was 168.9% in fiscal 2015 over fiscal 2014. This was based on the recommendation of the nomination and remuneration committee to revise the remuneration as per industry benchmarks. The remuneration of Directors Mr. Pramod Khandelwal and Mr. R. C. Khandelwal was also approved by the Central Government under section 269,198/309 of the Companies Act, 1956 for the period effective from 01/10/2013 to 31/03/2014. Further the shareholders of the Company in the Annual General Meeting held on September 23, 2014 have approved the remuneration of Mr. Pramod Khandelwal and Mr. R. C. Khandelwal at the same level at which the Central Government has approved for a period of 3 yeas effective from 01.04.2014.
7. There was no employee of the company who was in receipt of remuneration equivalent to or exceeding the amount prescribed under Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
8. Our Market capitalization was increased by 27.65% to Rs. 1589.92 lacs as of March 31, 2015 from Rs. 1245.56 lacs as of March 31, 2014. The price earning ratio was 11.30 as of March 31, 2015 which was an increase of 64.88% as compared to March 31, 2014. The closing price of the Company's Equity shares on the BSE as of March 31, 2015 was Rs. 21.70 representing a117% increase over the IPO price.
9. It is affirmed that the remuneration is as per the remuneration policy of the company

POLICY OF APPOINTMENT AND REMUNERATION

The policy of the company of appointment and remuneration of directors & KMPs, including criteria for determining qualifications, positive attributes, independence of a directors and KMPs and other matters provided under sub - section (3) of section 178 of the Companies Act, 2013 adopted by the Board is appended as **Annexure-5** to the Directors' Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination & Remuneration policy of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no such order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The CFO Certification provided in the CFO certification section of the Annual Report discusses the adequacy of Internal Control system and procedures.

ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to retain its commanding position in the industry. The Directors also wish to place on record their appreciation to the Canara bank, The Hongkong and Shanghai Banking Corporation Limited, the suppliers and customers constituting the supply chain, and the shareholders of the Company for their continued support and co-operation.

For and on behalf of the Board of Directors

R.C. KHANDELWAL
Chairman
DIN : 00124085

Date : 11.07.2015
Place : New Delhi

Annexures to the Board's Report

Annexure 1

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section(3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis

S. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis

Name of related Party	Nature of Relationship	Nature of Transaction	Duration of Contract	Date of Approval	Amount (Rs. In lacs)	Sailent Terms
Mr. Vinay Khandelwal	Son of Mr. A. P. Khandelwal, Director and Brother of Mr. Pramod Khandelwal, Director of the Company	Rent	05.02.1995 - ongoing	05.01.1995	0.36	The then prevailing Market Rate
M/s Kochar Agro Industries Pvt. Ltd.	Enterprise in which Mr. R. C. Khandelwal and Mr. Pramod Khandelwal Directors of the Company have Substantial Interest	Sales/ Job Work	01.04.2014- 31.03.2019	11.02.2014	55.64	Prevailing Market Rate
		Rent	27.09.2011 to 26.09.2014	11.08.2011	24.00	
			26.09.2014 to 26.09.2017	11.02.2014		
M/s SWD Industries	Mr. A. P. Khandelwal and Mr. R.C. Khandelwal Directors of the Company are partners	Sales / Purchases	01.04.2014 to 31.03.2019	11.02.2014	2.65	Prevailing Market Rate

No advances were paid for the above related party transactions.

Annexure - 2

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
METAL COATINGS (INDIA) LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **METAL COATINGS (INDIA) LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **METAL COATINGS (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2015** and has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **METAL COATINGS (INDIA) LIMITED** ("the Company") for the financial year ended on 31st March, 2015, to the extent applicable to the company according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;**(Not applicable to the company during the audit period)**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not applicable to the company during the audit period)**

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the audit period)** and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not applicable to the company during the audit period)**

(vi) Other Laws as applicable to the Industry: **No specific Laws are applicable to the Company other than the general laws as per the information and explanations provided to us**.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified during the period hence not applicable to the company).**

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines Standards, etc. mentioned above subject to the following observations:

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

We further report that during the audit period the company has :

1. The Company has taken a Loan from a bank amounting to Rs. 13,00,00,000/- and appropriate charge has been created.

2. The Board has decided to obtain a Special Resolution of the Shareholders under Section 180(1)(a) and 180 (1)(c) at the upcoming Annual General Meeting as per General Circular 04/2014 of Ministry of Corporate affairs.

3. The Audit Committee and the Board of Directors have approved all the Related Party Transaction. In view of the Board all the transactions with Related Parties are at Arm's Length Price.

Prashanth Kumar Gupta
Partner
Manju Laur & Associates
Company Secretary in Practice
ACS. A37201, C.P.No.:13958

Date : 11.07.2015
Place : New Delhi