



# Prakash Industries Limited

Near I.O.C.L. Depot, Najafgarh - Bijwasan Road,  
Bijwasan, New Delhi-110061. CIN : L27109HR1980PLC010724  
Tel. : 25305800, 28062115, Fax : 91-11-28062119  
E-mail : pilho@prakash.com, Website : www.prakash.com

PIL/SE/AGM-BC/AR/2018

14<sup>th</sup> June, 2018

Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor, Plot No. C/1  
G Block, Bandra-Kurla Complex, Bandra (E)  
**Mumbai - 400051**

Listing Department  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai - 400001**

Company Symbol : PRAKASH

Company Code : 506022

## Sub : **37<sup>th</sup> Annual General Meeting & Book Closure**

Dear Sir,

We wish to inform you that the **37<sup>th</sup> Annual General Meeting** (AGM) of the Members of the Company is scheduled to be held on Saturday, the 28<sup>th</sup> July, 2018 at the Registered Office 15 Km. Stone, Delhi Road, Hissar – 125044 (Haryana).

Pursuant to the provisions of Section 108 of the Companies Act, 2013 ("the Act") and rules made thereunder and as amended from time to time and pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Company is providing to the members, the facility to cast their vote through remote e-voting (e-voting from a place other than venue of the AGM) on all resolutions set forth in the Notice of the AGM through Central Depository Services (India) Ltd. (CDSL).

The remote e-voting facility period begins on Wednesday, 25<sup>th</sup> July, 2018 (09.00 a.m.) and ends on Friday, 27<sup>th</sup> July, 2018 (05.00 p.m.). The remote e-voting shall not be allowed beyond that time. A person, whose name is in the Register of Members / Beneficial Owners as on cut-off date i.e. Saturday, 21<sup>st</sup> July, 2018 only shall be entitled to avail the facility of remote e-voting, attend and vote at the meeting on all resolutions set forth in the notice of the AGM.



Contd.....2

Regd. Office : 15 Km Stone, Delhi Road, Hissar - 125 044

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Pursuant to Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 24<sup>th</sup> July, 2018 to Saturday, 28<sup>th</sup> July, 2018 (both days inclusive) for the purpose of AGM of the Company.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report for the financial year 2017-18 alongwith notice of AGM and the same is also available on the website of the Company viz. [www.prakash.com](http://www.prakash.com).

This is for your information and record please.

Thanking you,

Yours faithfully,  
For **Prakash Industries Limited**

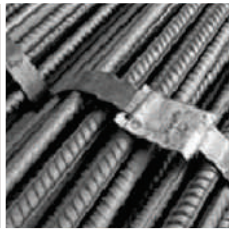
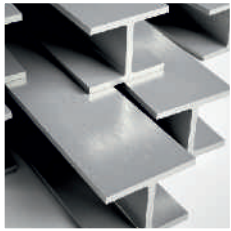
*Ashwini Kumar*  
(Ashwini Kumar)  
Company Secretary

Encls : Annual Report



# ANNUAL REPORT

## 2017 > 2018



**Prakash Industries Limited**

People.. Prosperity.. Progress..

# **PRAKASH INDUSTRIES LIMITED**

## **BOARD OF DIRECTORS**

Shri V. P. Agarwal	Chairman
Shri Vikram Agarwal	Managing Director
Shri Kanha Agarwal	Joint Managing Director
Shri M.L. Pareek	Whole - time Director & CEO
Shri P.L. Gupta	Whole - time Director & CFO
Shri K. C. Mehra	Independent Director
Shri Y.N. Chugh	Independent Director
Shri M.R. Agarwal	Independent Director
Smt. Purnima Gupta	Independent Director
Shri Sunil Kumar	Independent Director

## **COMPANY SECRETARY**

Shri Ashwini Kumar

## **STATUTORY AUDITORS**

Chaturvedi & Co.  
Chartered Accountants

## **BANKERS**

Corporation Bank  
Kotak Mahindra Bank

# **PRAKASH INDUSTRIES LIMITED**

## **REGISTERED OFFICE**

15 Km. Stone, Delhi Road,  
Hissar - 125044 (Haryana)

## **CORPORATE OFFICE**

SRIVAN

Bijwasan,

New Delhi - 110 061

## **WORKS**

Champa (Chhattisgarh)

Raipur (Chhattisgarh)

Kashipur (Uttarakhand)

Koira, Distt. Koenjhar (Odisha)

Muppandal (Tamil Nadu)

## **WEBSITE**

[www.prakash.com](http://www.prakash.com)



**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report on the business & operations of the Company together with the Audited Statement of Financial Accounts for the year ended 31<sup>st</sup> March, 2018.

**FINANCIAL RESULTS**

	(₹ in Crores)	
	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Net Sales	<b>2934.81</b>	2173.50
Other Income	<b>14.81</b>	3.32
Total Income	<b>2949.62</b>	2176.82
EBITDA	<b>595.89</b>	264.50
Depreciation	<b>120.94</b>	103.03
Financial Expenses	<b>86.61</b>	73.07
Profit before exceptional item and tax	<b>388.34</b>	88.40
Provision for Taxes	<b>2.09</b>	7.40
Profit after tax	<b>386.25</b>	81.00
Other Comprehensive Income	<b>(2.39)</b>	(2.65)
Total Comprehensive Income	<b>383.86</b>	78.35

**PERFORMANCE**

During the year under review, the Company's Net Sales revenue grew by 35% to ₹ 2935 crores as against ₹ 2174 crores in the previous year. The EBITDA for the year was ₹ 596 crores in comparison to ₹ 265 crores in the previous year reflecting a growth of 125%. After providing for interest, depreciation and tax, the profit after tax of the Company grew by more than 390% to ₹ 384 crores as against ₹ 78 crores in the previous year, which resulted in EPS of ₹ 25.58 in the current year as against ₹ 5.97 in the previous year.

**OPERATIONAL REVIEW**

Your Directors have immense pleasure in informing that the performance of the Company, both financial and operational, has attained phenomenal growth during the year under review on account of operational efficiency, higher production volumes and better sales realization. The operating margins have jumped to 20% against 12% in the previous year. During the year, the Company expanded its Sponge Iron capacity by setting up an additional Rotary kiln of 0.20 Mn tonnes per annum, thereby enhancing the total capacity to 1.00 Mn tonnes per annum. Alongwith the kiln, the Company also added 15 MW power co-generation capacity during the year. In the Steel Melting Shop, the Company set up new furnaces and also modernized some of the existing furnaces with energy efficient furnaces during the year.

Further, as a step towards efficient raw material management, the Company has been able to secure Long term supply arrangements with its suppliers for the key inputs i.e. coal and iron ore at stable prices.

The performance of the Rigid PVC Pipe division was also satisfactory during the year under review. The division achieved highest ever production during the year. In view of the huge unrealized growth potential in the PVC Pipe industry, the Company is doubling its production capacity by next year.

**FUTURE PROSPECTS**

The steel industry in the country is witnessing a major uptrend with ever growing gaps in demand and supply. To exploit and take advantage of the situation, the Company has taken up expansion plan to increase its steel capacity from 1 Mn tonnes per annum to 3 Mn tonnes per annum in a phased manner over the next 5 years at its Integrated Steel Plant in Chhattisgarh. In this direction, the Company is enhancing its capacity in Sponge Iron by 0.40 Mn tonnes per annum alongwith related expansion in the steel melting shop this year. Further, in order to achieve next level of integration in its operations, the Company is making all its efforts to open its Sirkaguttu Iron Ore Mine in the state of Odisha in the first quarter of the current financial year. Also, the Kawardha iron ore mine allotted to the Company in the state of Chhattisgarh is expected to be operational by next year. In addition, the Company is also setting up a Private Railway Siding at its plant. These events shall boost the performance quotient of the Company to a significant extent in the coming years.

In the PVC Pipes division, in addition to doubling its production capacity of PVC Pipes and fittings by next year, the Company has strategically ventured into Flexible Plastic Packaging business, which will manufacture high performance barrier films and laminates that find application in packaging of food, beverages, oil, personal care and pharmaceutical products. The production is expected to commence by June, 2018.

As regards the demerger of the PVC Pipe division, the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) have conveyed their consent to the Draft Scheme of Arrangement and other clearances are in progress.

**DIVIDEND**

After careful assessment of the available profit during the financial year ended 31<sup>st</sup> March, 2018, your Directors have not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2018.

**ENVIRONMENT AND SOCIAL RESPONSIBILITY**

Your Company has always laid emphasis on its environmental commitment towards the society, including

## **PRAKASH INDUSTRIES LIMITED**

its customers, clients, employees, workers and public. The Company takes effective steps to spread the environmental awareness among its employees and motivates them to work in an environmentally responsible manner. The Company ensures compliance with all applicable environmental laws at its plants, which results in providing safe and healthy workplaces to its employees. Further, the Company is also committed to maintain Zero Discharge pattern by installing Effluent Treatment and Sewage Treatment Plant, Continuous Emission Monitoring System and setting up well equipped Environmental Laboratory for Air, Water and practicing hazardous waste and solid waste management.

Corporate Social Responsibility (CSR) has also been an integral part of the Company's business since inception. The Company's initiatives towards fulfilling its Corporate Social Responsibility include providing safe drinking water facilities around its plants, conducting training programs for promotion of vocational skills and environmental sustainability, promoting health care programs, maintaining sports and recreational facilities and generating employment opportunities for local people.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

There are no significant and material orders passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

### **CHANGE IN NATURE OF BUSINESS, IF ANY.**

There are no changes in the nature of business in the financial year 2017-18.

### **DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The statement containing the salient features of the Financial Statements of the Company's subsidiaries/ joint ventures/ associate companies of the Company is given in Form AOC - 1 along with financial statement.

Prakash Pipes Ltd become wholly owned subsidiary company during the financial year ended 31<sup>st</sup> March, 2018. The Company's policy for determining material subsidiaries is available at [www.prakash.com](http://www.prakash.com).

### **AMOUNT CARRIED TO ANY RESERVE (IF ANY)**

The Company had not carried any amount to any reserve from its Profit & Loss account for the current financial year.

## **CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE**

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report, forming part of this Report. The details of CSR activities during the year are given in the Annexure I to this report.

### **BOARD EVALUATION**

During the year, the evaluation of the annual performance of individual directors including the Chairman of the Company and Independent Directors, Board and Committees of the Board was carried out under the provisions of the Act and relevant Rules and the Corporate Governance requirements as prescribed under Regulation 17 of Listing Regulations, 2015 and the circular issued by SEBI with respect to Guidance Note on Board Evaluation from time to time.

In a separate meeting of Independent Directors, performance of Non Independent Directors and performance of the Board as a whole was evaluated. Further, they also evaluated the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

### **NUMBER OF MEETINGS OF THE BOARD**

The details of the Board Meetings and other Committee Meetings held during the financial year 2017-18 are given in the separate section of Corporate Governance Report.

### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015").

### **FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, 2015, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

The following three persons are the Key Managerial Personnel of the Company as per the provisions of Section 203 of the Companies Act, 2013.

## PRAKASH INDUSTRIES LIMITED

- i) Shri M.L. Pareek, Chief Executive Officer
- ii) Shri P.L. Gupta, Chief Financial Officer
- iii) Shri Ashwini Kumar, Company Secretary

Pursuant to Section 134(3)(q) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Remuneration and other details of Key Managerial Personnel and other employees for the year ended 31<sup>st</sup> March, 2018 are annexed to this report.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri P.L.Gupta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Dr. S. L. Keswani resigned as Independent Director of the Company w.e.f. 26<sup>th</sup> September 2017. Shri Sunil Kumar has joined as Independent Director of the Company w.e.f. 26<sup>th</sup> December 2017.

### BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### FIXED DEPOSITS

Company has not accepted any deposits during the year under review.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- I. The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("the Act") to the extent applicable to the Company; on historical cost convention; as a going concern and on accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.
- II. The Board of 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 of the Company for that period.
- III. The Board of Directors 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. The Board of Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- V. The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CONSOLIDATED ACCOUNTS

The consolidated financial statements for the year ended March 31, 2018 has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 together with the comparative period data as at and for the previous year ended March 31, 2017.

### AUDITORS & AUDITORS REPORTS

#### i) Statutory Auditors

The Company's Auditors, M/s Chaturvedi & Co., Chartered Accountants, (FRN:302137E), were appointed as the Statutory Auditors of the Company for a period of five years at the 35th Annual General Meeting of the Company, upto the conclusion of the 40th Annual General Meeting of the Company, subject to ratification by members at every Annual General Meeting of the Company. They have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Regulation 33 of the Listing Regulations, 2015 the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors in their Report to the members, have given one qualified opinion and the explanations of Board with respect to it in pursuant to section 134( 3) (f) of Companies Act 2013 is as follows:

Explanations response to Point (4) of Independent Auditors Report

The net deferred tax liability computed in terms of Ind AS-12 "Income Tax" amounting to ₹ 2741 Lakhs has been adjusted against Securities Premium Account. This has been in terms of Hon'ble Punjab & Haryana High Court order dated 23<sup>rd</sup> August, 2007.

In case the Company is not able to utilise Minimum Alternate Tax (MAT) credit within the time limit prescribed under the Income Tax Act, the same is set off against the retained earning as Tax credit pertains to an earlier year..

Observations other than above made by the Statutory Auditors in their report for the Financial year ended 31<sup>st</sup> March, 2018 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under section 134(3) of the Companies Act, 2013.



## **PRAKASH INDUSTRIES LIMITED**

### **ii) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Pradip Kumar Muduli, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure II". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **iii) Cost Auditors**

The Board of Directors has appointed M/s Rakshit & Associates, (FRN : 101951), Cost & Management Accountants on the recommendation of the Audit Committee, for auditing the cost records of the Company for the Financial Year 2018-19.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, appropriate resolution seeking your ratification of the remuneration of M/s Rakshit & Associates, (FRN : 101951), Cost & Management Accountants, as Cost Auditors, is included in the Notice convening the 37<sup>th</sup> AGM of the Company.

### **CHANGES IN CAPITAL STRUCTURE**

During the financial year 2017-18, your Company had allotted 13673455 Equity Shares fully paid-up of the face value of ₹ 10 per share at a premium of ₹ 50 per share and 4163750 Equity Shares fully paid-up value of ₹ 10 per share at a premium of ₹ 90 per share after receiving of Conversion Notices from various FCCB holders. Accordingly, the paid-up Equity Share Capital of the Company increased from ₹ 139.05 crores to ₹ 156.88 crores post the conversion of FCCBs into Equity Share during the financial year 2017-18. Further the Company had issued new 24.3 million USD 5.95% FCCBs due on January 15, 2023 in lieu of its outstanding obligations on the 5.25% April 2015 FCCBs.

During the financial year 2017-18, your Company had made preferential issue and allotted 9896278 Convertible Equity Warrants to Promoters.

### **SCHEME OF ARRANGEMENT FOR DEMERGER**

During the year, the Board of Directors at its meeting held on August 24, 2017 approved the Scheme of Demerger between Prakash Industries Ltd. (Demerged Company) and Prakash Pipes Ltd. (Resulting) Company, which is the wholly owned Subsidiary of the Company and their respective members and creditors. The Hon'ble National Company Law Tribunal, at Chandigarh vide its order dated April 11, 2018, ordered to convene the meeting of Shareholders, Secured Creditors and Unsecured Creditors on June 2, 2018 to approve the Scheme of Demerger.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements.

### **RELATED PARTY TRANSACTIONS [RPT]**

The Company, during the financial year, entered into contracts or arrangements with related parties, which were in the ordinary course of business and on arm's length basis. These transactions are not falling under the provisions of Section 188(1) of the Act. Prior omnibus approval is obtained for RPT's which are of a repetitive nature and entered in the ordinary course of business and are at arm's Length. All RPT's are placed before the Audit Committee for review on a quarterly basis.

The Policy on materiality of related party transactions and dealing with related party transactions are available on the Company's website at the link at <http://www.prakash.com/policy-related-party-transactions>.

The details of the related party transactions as required under Section 134(3)(h) r/w Rule 8 (2) of the Companies (Accounts) Rules, 2014 and under Regulation 34(3) & 53(f), Para A of Schedule V of SEBI(LODR) Regulations, 2015 is attached as Annexure III.

### **VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, the Company has adopted a 'Whistle Blower Policy'. The details of the Vigil Mechanism and Whistle Blower Policy are available on the website of the Company.

### **NOMINATION AND REMUNERATION POLICY**

For the purpose of selection of any Director, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Act, Listing Regulations, 2015 or other applicable laws.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, appointment and remuneration of Directors & Senior Management.

### **RISK MANAGEMENT**

The Board of Directors has constituted a Risk Management Committee which is entrusted with the responsibility of overseeing various strategic, operational and financial risks that the organisation faces, along with the adequacy of mitigation plans to address such risks. There is an

## **PRAKASH INDUSTRIES LIMITED**

overarching Risk Management Policy in place that was reviewed and approved by the Board. The Corporate Governance Report, which forms a part of this Report, contains the details of Risk Management Committee. The Risk Assessment is also discussed in the Management Discussion and Analysis attached to this report.

### **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure IV to this report.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Annual Report and is attached as Annexure V.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as Annexure V to this report.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year ended 31<sup>st</sup> March, 2018, no complaint pertaining to sexual harassment was received by the Company.

### **CORPORATE GOVERNANCE**

Report on Corporate Governance and Certificate of Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in Part C of Schedule V of the Listing Regulations, 2015 with the

Stock Exchanges, are enclosed as Annexure VI to this report.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34 (3) of the Listing Regulations, 2015 is provided in a separate section and annexed as Annexure VII.

### **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Company believes that internal control is a prerequisite of the principle of Governance and that freedom should be exercised within a framework of checks and balances. The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

### **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required under Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 a statement showing the information relating to the Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is enclosed as Annexure VIII to this report.

### **ACKNOWLEDGMENTS**

Your Directors wish to thank all stakeholders, employees and business partners and Company's bankers for their continued support and valuable co-operation. The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

**By Order of the Board**

Place : New Delhi  
Dated : 30<sup>th</sup> April, 2018

<b>P. L. Gupta</b>	<b>Vikram Agarwal</b>
<b>Whole-time Director</b>	<b>Managing Director</b>
<b>DIN:00048868</b>	<b>DIN:00054125</b>