



PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

31ST A N N U A L R E P O R T 2 0 1 4 - 2 0 1 5

PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

31ST ANNUAL REPORT 2014-15

BOARD OF DIRECTORS	:	Mr. Jayantilal S. Patel	Managing Director
		Ms. Payalben J. Patel	Director
		Mr. Dharmendrakumar B. Patel	Director
		Ms. Nikitaben J. Patel	Director
		Mr. Ankit J. Patel	Director
		Mr. Miteshkumar A. Patel	Director
CFO	:	Mr. Vipul F. Bhavsar	
BANKERS	:	Mehsana Urban Co.op. Bank Ltd.,	Mehsana.
AUDITORS	:	M/s. M. M. Salvi & Co.,	Chartered Accountants, Mehsana.
SECRETARIAL AUDITORS	:	Kashyap R. Mehta & Associates,	Company Secretaries, Ahmedabad.
The REGISTERED OFFICE	:	106, Harikrupa Chambers,	Behind National Chambers, Ashram Road, Ahmedabad-380 009.
FACTORY	:	392 to 403, GIDC Estate, Phase-II,	Dediyasan, Mehsana-384 002.
REGISTRAR & SHARE TRANSFER AGENTS	:	M/s. Link Intime India Private Limited	Unit No 303, 3 rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad - 380 009.

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NOTICE

NOTICE is hereby given that the **31st ANNUAL GENERAL MEETING** of the members of **PROMACT PLASTICS LIMITED** will be held as scheduled below:

Date : 22nd September, 2015

Day : Tuesday

Time : 3.00 p.m.

Place : Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellis Bridge, Ahmedabad – 380 006

to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Nikitaben J. Patel (DIN: 03092770), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.
3. 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, M/s. M. M. Salvi & Co., Chartered Accountants (Firm Registration No.109004W), Mehsana, be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this 31st Annual General Meeting (AGM) till the conclusion of the 33rd AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration as shall be fixed by the Board of Directors of the Company."

Registered Office:

106, Harikrupa Chambers,
Behind National Chambers,
Ashram Road,
Ahmedabad-380 009.
Date : 29th July, 2015.

By Order of the Board,

Jayantilal S. Patel
Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% 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 A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
3. The Register of Members and Share Transfer Books will remain closed from **4th September, 2015 to 22nd September, 2015** (both days inclusive) for the purpose of Annual General Meeting (AGM).
4. Members/Proxies are requested to bring duly filled Attendance Form along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.
5. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of



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the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.

6. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
7. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
9. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
10. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. In support of the 'Green Initiative' announced by the Government of India, electronic copies of the Annual Report for 2014-15 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Central Depository Services (India) Limited ("CDSL"), www.cdslindia.com, www.evotingindia.com
12. All documents referred to in the Notice shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.
13. The Ministry of Corporate Affairs has, on 10th May, 2012, notified the Investor Protection and Education Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) with the objective of enabling shareholders to use the information provided by the companies on their websites and the website of the IEPF, to verify the status of unclaimed dividends, if any. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company's RTA before the unclaimed dividends are transferred to the IEPF.

14. VOTING THROUGH ELECTRONIC MEANS

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Clause 35B of the Listing Agreement and any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Central Depository Services (India) Limited.
- (b) The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue.
- (c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period commences at **9.00 a.m. on Saturday, 19th September, 2015 and ends at 5:00 p.m. on Monday, 21st September, 2015**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 15th September, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

- (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The procedure and instructions for remote e-voting are, as follows:

- (i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
(ii) Now click on "Shareholders" to cast your votes.
(iii) Now, fill up the following details in the appropriate boxes:

User ID	a. For CDSL: 16 digits Beneficiary ID
	b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
	c. Members holding shares in Physical Form should enter Folio Number registered with the Company

- (iv) Next, enter the Image Verification as displayed and Click on Login.
(v) 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.
(vi) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
(vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the Sequence No. printed on Address Slip / email to the members pertaining to the Notice of this AGM.
DOB#	Enter the Date of Birth as recorded in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.

#Please enter the DOB or Dividend Bank Details in order to login.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
(xi) Now, select the Electronic Voting Sequence Number ("EVS") of "PROMACT PLASTICS LIMITED" from the drop down menu and click on "SUBMIT".
(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.



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- (xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the Voting page.
- (xvii) Note for Non – Individual Members and Custodians:
 - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
 - 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 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.
- (f) In case you have any queries or issues regarding remote 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.
- (g) **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. **E-voting facility will not be made available at the AGM venue.**
- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ANNUAL REPORT 2014-2015

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 31st ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2014-15 ended 31st March, 2015.

1. FINANCIAL RESULTS:

(` in Lacs)

Particulars	2014-2015	2013-2014
Operating Profit/ (Loss) [Before Interest & Depreciation]	78.83	78.83
Less: Interest	152.93	168.08
(Loss) before Depreciation	(74.10)	(89.25)
Less: Depreciation	6.38	7.77
(Loss) before Exceptional items	(80.48)	(97.02)
Add : Exceptional Items / Profit on sale of Plant & Machinery	272.07	20.64
Profit/ (Loss) Before Tax	191.59	(76.38)
Less: Provision for taxation	-	-
Profit/ (Loss) for the year after Tax	191.59	(76.38)
(Debit) Balance brought forward from Previous year	(1197.51)	(1121.13)
(-) Adjustment relating to Fixed Assets	(1.41)	-
(Debit) Balance carried to Balance Sheet	(1007.33)	(1197.51)

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1st April, 2015 and date of this report.

2. DIVIDEND:

As the Company has accumulated losses, your Directors are unable to recommend any Dividend for the Year 2014-15.

3. SALES & WORKING RESULTS:

The Company has generated revenue of ` 83.20 lacs during the year under review as compared to ` 62.81 lacs during 2013-14. The Company has earned other income of ` 21.59 lacs during the year under review.

The Profit before Interest and Depreciation during the year 2014-15 was ` 78.83 lacs as compared to Profit of ` 78.83 Lacs during the year 2013-14. As the Company had to provide for Interest of ` 152.93 Lacs during the year under review, the Loss before Depreciation was ` 74.10 lacs compared with Loss of ` 89.25 lacs during 2013-14. The Company provided Rs. 6.38 lacs for Depreciation and therefore Loss before considering Exceptional items stood at ` 80.48 lacs during the year under review compared to Loss of ` 97.02 lacs for the year 2013-14. After taking into account Profit on Exceptional items of ` 272.07 lacs, the Net Profit for the year under review stood at ` 191.59 lacs as against Net Loss of ` 76.38 lacs during 2013-14.

4. FINANCE:

4.1 During the year under review, the Company was generally regular in payment of Principal and Interest to the Financial Institutions/Banks. The Company is enjoying Working Capital Facilities from Mehsana Urban Co-Operative Bank Limited.

4.2 The Income tax and Sales tax Assessment of the Company have been completed up to Assessment Year 2012-13 and the Financial Year 2009-10 respectively.

5. DISCONTINUANCE OF BUSINESS:

The Company has discontinued the running business of HDPE/PP Woven Bags, Fabrics and Tarpaulin in view of unviable operations.

6. SALE OF WOVEN SACKS PLANT':

As the operations of 'Woven Sacks' have been non-operational / unviable, the management decided to dispose off the 'Woven Sacks Plant' of the Company situated at Plot No. 392 to 403, GIDC Estate, Phase – II, Dediyanan, Mehsana – 384 002.



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The necessary approval of the members of the Company under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 were obtained pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (passing of resolution through postal ballot) Rules, 2011, by way of Postal Ballot. The management is in the process of disposing off the plant.

7. DIRECTORS:

- 7.1 Ms. Nikita J. Patel, Director retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers herself for reappointment.
- 7.2 Mr. Jayantilal S. Patel has been appointed as Managing Director of the Company for a period of 3 years w.e.f. 29th July, 2014.
- 7.3 The Board of Directors duly met 5 times during the financial year under review.
- 7.4 The Board has made necessary evaluation of its own performance and that of its commitments and of individual Directors.
- 7.5 The performance evaluation of the Chairman, Executive and Non-Executive Directors was carried out by at the meeting of the Independent Directors held on 13th February, 2015.
- 7.6 **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had 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 31st March, 2015 being end of the financial year 2014-15 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. MANAGERIAL REMUNERATION:

8.1 REMUNERATION OF DIRECTORS:

The Company has not paid any Managerial Remuneration or other benefits to any of its Directors. The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

8.2 MARKET CAPITALISATION:

Sr. No.	Particulars	As on 31-03-2014	As on 31-03-2015
1.	No. of Shares	65,11,800	65,11,800
2.	Market price	2.67	1.71
3.	Market Capitalisation (` In lacs)	173.86	111.35
4.	EPS	-	2.94
5.	P/E Ratio	-	0.58

9. KEY MANAGERIAL PERSONNEL :**9.1 % INCREASE IN REMUNERATION OF DIRECTORS AND KMP:**

Company has not paid any managerial remuneration to any of its KMP. Mr. Vipul Bhavsar, CFO was appointed during the end of the year 2014-15 hence, there is no increase in remuneration.

9.2 COMPARISON BETWEEN REMUNERATION OF KMP & PERFORMANCE OF THE COMPANY:

As per the Remuneration Policy and based on the Recommendation of Nomination & Remuneration Committee the Relationship of remuneration to KMP & performance of Company is clear and meets appropriate performance benchmarks.

10. PERSONNEL AND H. R. D.:**10.1 INDUSTRIAL RELATIONS:**

The industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D.

The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

10.2 PARTICULARS OF EMPLOYEES:

There is no Employee drawing remuneration requiring disclosure under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel) Rules, 2014.

11. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED:

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

12. DEMATERIALISATION OF EQUITY SHARES:

Shareholders have an option to dematerialise their shares with either of the depositories viz NSDL and CDSL. The ISIN No. allotted is INE818D01011.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption are not applicable as there are no manufacturing activities during the year under review. The Company has not earned or spent any foreign exchange during the year under review.

14. CORPORATE GOVERNANCE AND MDA:

As per Clause 49 of the Listing Agreement and the Companies Act, 2013, Report on Corporate Governance and Management Discussion and Analysis (MDA) form part of this Annual Report. A certificate regarding compliance with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement is also appended to the Annual Report as **Annexure - A**.

15. SECRETARIAL AUDIT REPORT:

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure – B**. As regards the observation of the Auditors, the Company is in the process of identifying and appointing Whole-time Company Secretary and also developing functional website of the Company.

16. EXTRACT OF ANNUAL RETURN:

The extract of Annual return in Form – MGT-9 has been attached herewith as **Annexure – C**.



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17. LISTING:

The Equity Shares of the Company are listed on Ahmedabad Stock Exchange Limited and BSE Limited and the Company has paid Annual Listing Fees to both the Stock Exchanges up to the year 2015-16.

18. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The details of various committees and their functions are part of Corporate Governance Report

19. GENERAL:

19.1. AUDITORS:

The present Auditors of the Company M/s. M.M Salvi & Company, Chartered Accountants, Mehsana, will retire at the ensuing 31st Annual General Meeting. The Company has obtained from them consent to the effect that their reappointment as Auditors of the Company for period of 2 years commencing from the Financial Year 2015-16 to 2016-17, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013. The remarks of Auditor are self explanatory and have been explained in Notes on Accounts.

19.2 INSURANCE:

The movable and immovable properties of the Company including plant and Machinery and stocks wherever necessary and to the extent required have been adequately insured against the risks of fire, riot, strike, malicious damage etc. as per the consistent policy of the Company.

19.3 DEPOSITS:

The Company has not accepted during the year under review any Deposits and there were no overdue deposits.

19.4 RISKS MANAGEMENT POLICY:

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

19.5 SUBSIDIARIES/ ASSOCIATES/ JVS:

The Company does not have any Subsidiaries/ Associates Companies / JVs.

19.6 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

19.7 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There have been no significant and material orders passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

19.8 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

20. ACKNOWLEDGMENT:

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co operation. Your Directors also place on record their grateful appreciation and co operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

For and on behalf of the Board,

Place : Ahmedabad.
Date : 29th July, 2015

Payal J. Patel
Director

Jayantilal S. Patel
Managing Director