



Rohit Ferro-Tech Limited



**Annual
Report**
2015-16

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the members of the Company will be held on Thursday, the 29th day of September, 2016 at 10.00 A.M. At "AIKATAN", Eastern Zonal Cultural Conference (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata - 700 097 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016, the Statement of Profit and Loss for the year ended on that date and the report of the Auditors & Directors' thereon.
2. To appoint a Director in place of Mr. Suresh Kumar Patni (DIN:00032674), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT, in accordance with the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the appointment of M/s. R. Kothari & Company, Chartered Accountants, Kolkata (Firm Registration No. 307069E) as approved by Members at the Fifteenth Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of Nineteenth Annual General Meeting be and is hereby ratified and Board of Directors be and is hereby authorised to fix their remuneration for the financial year ending 31st March, 2017 based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or enactment thereof for the time being Mr. Ankit Patni (DIN:00034907) who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 30, 2015 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under the provisions of Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a non-executive and non-Independent Director of the Company liable to retire by rotation."

5. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force and in terms with the enabling provisions of the Articles of Association of the Company and subject to such consents, approvals or permissions as may be required, the consent of the Company be and is hereby accorded for the appointment of Mr. Ankit Patni (DIN: 00034907) as the Managing Director of the Company for a period of 3 (Three) years w.e.f. 29th August, 2016, on the term and conditions as enumerated in the Explanatory Statement to this Notice and the Agreement dated 29th August, 2016 as placed before the meeting, initialed by the Chairman of the meeting for the purposes of identification, which agreement is hereby specifically approved.

RESOLVED FURTHER THAT the office of Managing Director shall be liable to retire by rotation, provided that if he vacates office by retirement by rotation under the provisions of the Companies Act, 2013 at any Annual General Meeting and is re-appointed as a Director at the same meeting, he shall not, by reason only of such vacation, cease to be the Managing Director.

RESOLVED FURTHER THAT subject to such approvals, consents and permission as may be required, in the event of loss or inadequacy of net profits in any financial year, the remuneration payable to Mr. Ankit Patni shall be restricted to the ceiling provided in Section II of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration as may be agreed between the Board of Directors and Mr. Ankit Patni and/or in such manner and to such extent as may be permitted or authorised in accordance with the provisions under the Act for the time being in force, subject to the same not exceeding the limits specified in Schedule V of the Companies Act, 2013.

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RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all steps and do all acts, deeds and things as may be necessary, proper and expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to Mr. S. B. & Associates, Cost Accountant (FRN No. 00109), Kolkata, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017, amounting to Rs. 35,000/- (Rupees Thirty five Thousand only) as also the payment of service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

By Order of the Board
For **Rohit Ferro-Tech Limited**

Anil Prasad Shaw
Company Secretary

Place: Kolkata

Date: 29th August, 2016

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
2. The Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013, and Clause 1.2.5 of SS2 on General Meeting relating to Special Business to be transacted at the Meeting, is annexed hereto.
3. The relevant details, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; of person seeking appointment/re-appointment as Director under Item No. 2, 4 and 5 is annexed hereto.
4. The Register of Members and Share Transfer Books shall remain closed from Thursday, the 22nd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
5. Pursuant to the provisions of Section 205C of the Companies Act, 1956, the Company has transferred unpaid/unclaimed Dividend for the financial year 2007-2008 to Investor Education and Protection Fund (IEPF) established by the Central Government.
6. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed dividend amounts lying with Companies) Rules, 2012, the Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.rohitferrotech.com) and also on the website of the Ministry of Corporate Affairs.
7. Members who have so far not claimed the dividend declared as aforesaid are requested to forward their claims to the Company's Registrar and Share Transfer Agents immediately as no claim shall lie against the fund or the Company in respect of individual amounts once credited to the said fund.
8. Information in respect of such unclaimed Dividends and due dates for transfer to the Investor Education and Protection Fund of Government of India are given below:

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Financial Year	Date of Declaration	Due date of transfer to IEPF
2008-09	22.09.2009	22.10.2016
2009-10	27.09.2010	28.10.2017
2010-11	15.09.2011	19.10.2018
2011-12	25.09.2012	26.10.2019

9. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 and to their respective DPs in respect of Equity Shares held in dematerialized form.
10. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
11. Members/Proxies are requested to bring their Attendance Slip for attending the Meeting.
12. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least ten days before the meeting so that the same could be complied in advance.
14. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.
15. All documents referred to in the Notice will be available for inspection at the Company's Corporate Office during all the working days except Saturday between 11.00 a.m. and 1.00 p.m. upto the date of AGM.
16. Electronic copy of the Annual Report for 2016 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2016 is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a financial year, to the Member to register his e-mail address and any changes therein. In compliance with the same, we request the Members who do not have their e-mail id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Company the changes, if any in their e-mail address. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. www.rohitferrotech.com.
17. Electronic copy of the Notice of the 16th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their e-mail address, physical copies of the Notice of the 16th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. In compliance with provisions of Section 108 of the Companies Act, 2013, Reg. 44 of SEBI (LODR) Regulation 2015 and 8.6 of SS2 on General Meeting and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are informed that the Company is pleased to offer e-voting facility to cast their vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The e-voting facility is available at the link www.evotingindia.com vide the EVSN **160823022**.

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The e-voting facility will be available during the following voting period :

Commencement of e-voting	From : 10.01 a.m. of 26th September, 2016
End of e-voting	Upto : 5.00 p.m. of 28th September, 2016

E-voting shall not be allowed beyond 5.00 p.m. of 28th September, 2016.

The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed CS Abhijeet Jain of M/s A J & Associates, Practicing Company Secretaries for scrutinizing the e-voting process in a true and transparent manner.

19. E-voting Procedure

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26th September, 2016 at 10:01 a.m. and ends on 28th September, 2016 at 5:00 p.m. During this period shareholder's of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your 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.
- (vi) Next enter the image verification as displayed and Click on 'Login'.
- (vii) 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.
- (viii) 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.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ROHIT FERRO-TECH LTD.> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select

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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.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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 scrutiniser to verify the same.
- (xxi) 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.

DISTRIBUTION OF GIFTS

Attention of the Members is drawn that in conformity with recent regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the Annual General Meeting(AGM) or in connection therewith.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CLAUSE 1.2.5 OF SS2 ON GENERAL MEETING.

Item No. 4

Mr. Ankit Patni (DIN : 00034907) was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th September, 2015 pursuant to Section 161 of the Companies Act, 2013 and holds office as such upto the date of this Annual General Meeting.

In view of the extensive and rich experience of Mr. Ankit Patni, and considering the best interests of the Company, it is proposed to appoint him from the date of 16th AGM of the Company as a Non-Executive and Non-Independent Director of the Company liable to retire by rotation. The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Ankit Patni for the office of Director subject to retirement by rotation.

The Board of Directors is of the opinion that the professional expertise and vast experience of Mr. Ankit Patni will be of significant value to the Company.

Mr. Ankit Patni being promoter director and his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

None of the other Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board recommends the resolution set out at Item No. 4 of the notice for approval by the Shareholders.

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Item No. 5

Mr. Ankit Patni was appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 by the Board of Directors of the Company at their Meeting held on 30th September, 2015. Subject to the Approval of Shareholders, the Board of Directors of the Company at its meeting held on 29th August, 2016, based on the recommendation of the Nomination & Remuneration Committee, has appointed Mr. Ankit Patni as the Managing Director of the Company for a period of 3 (Three) years w.e.f. 29th August, 2016 on the terms and conditions as set out in the Agreement dated 29th August, 2016 executed between the Company and Mr. Ankit Patni. Mr. Ankit Patni shall be paid the following remuneration for the services rendered by him:

- (a) Basic Salary: Rs. 1,00,000 (Rupees One Lac Only) per month.
- (b) Perquisites/Allowances: He shall be entitled to the following Perquisites/Allowances:-
 - House Rent Allowance: Rs. 50,000 per month.
 - Transport Allowance: Rs. 10,000 per month.
 - Medical Allowance: Rs. 10,000 per month.
 - Special Allowance: Rs. 30,000 per month.
 - Bonus: As may be decided by the Board.
 - Leave Encashment: As per applicable rules of the Company.
 - Gratuity: As may be decided by the Board, provided that it shall not exceed the ceiling limit envisaged under the Payment of Gratuity Act, 1972.

Leave encashment and Gratuity shall not be included in the computation of ceiling on remuneration.

- (c) Leave: Managing Director will be entitled to leave as per applicable rule of the Company.

The Company has defaulted in making re-payments of loans and also payment of interest on loans during the previous year ended 31.03.2016 and as such requires the prior approval of Central Government for making payment of said remuneration to the Managing Director.

As a matter of prudent practice, the remuneration payable to him will be kept in trust with the Company till the time Central Government approvals are received, as per the provisions of section 197(9) of the Companies Act, 2013.

All other terms and conditions are set out in the Agreement referred to above. The relevant Agreement entered into by the Board with Mr. Ankit Patni is available for inspection by members at the Corporate Office of the Company during all working day except Saturday between 11.00 a.m. to 1.00 p.m. upto date of Annual General Meeting.

Mr. Ankit Patni and his relatives are deemed to be concerned or interested, in the resolutions set out at Item No.5 of the Notice.

The Board recommends the resolutions set out at Item No. 5 of the Notice for approval by the Shareholders.

Statement pursuant to item (iv) under second proviso to clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 with respect to Item No. 5.

I. GENERAL INFORMATION

1. **Nature of Industry:** Rohit Ferro-Tech Limited (herein referred as "RFTL" the Company) was incorporated on 7th April, 2000 and is amongst India's one of the largest Ferro-Alloys manufacturing Company. The Company is engaged in manufacturing of chromium and manganese-based ferro alloys, such as High Carbon Ferro Chrome (H.C.FeCr), Silico Manganese (SiMn) and Ferro Manganese (FeMn) through Submerged Arc Furnace (SAF) route. The Company has three manufacturing facilities located at Bishnupur and Haldia in West Bengal and Jajpur in Orissa.

The Company has acquired 60% equity stake in a coking coal mine in Indonesia owned by M/s. PT Bara Prima Mandiri through its subsidiary M/s. SKP Overseas Pte. Ltd., Singapore. The Company is also having 60% economic interest in a thermal coal mine in Indonesia owned by M/s. PTP Alopo Indah Raya through its aforesaid Subsidiary.

2. **Date of Commencement of Commercial Production:**

The Company commenced its commercial production in 2003.

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3. Financial Performance of the Company:

The Financial Performance of the Company is as follows:

(₹ in Crores)

Particulars	2015-16	2014-15	2013-14
Sales and other Income	1436.88	1883.01	2494.52
Profit before Depreciation, Interest and Tax but after Prior Period Items	(223.60)	(131.84)	(68.86)
Depreciation/Amortization	30.04	25.75	30.07
Interest and Finance Charges	230.43	195.24	166.11
Tax Expenses	-	-	(36.45)
Profit/(Loss) before Exceptional items	(484.07)	(352.84)	(228.60)
Exceptional Gain /(Loss)	-	-	-
Profit/(Loss) after Tax	(484.07)	(352.84)	(228.60)

4. Foreign Earnings, investments or collaborations:

(₹ in Crores)

Particulars	2015-16	2014-15	2013-14
Investments Abroad (in Subsidiary)	NIL	NIL	6.62

II. Information about appointee:

Sl. No.	Particulars	Mr. Ankit Patni
1	Background Details	Mr. Ankit Patni is promoter director and having the qualification of B.Com, CFA and MBA. He is having a good amount of experience in the matters of finance, raw material procurements and marketing.
2	Past Remuneration	Nil (only Sitting fees paid)
3	Job Profile & his suitability	Overall management of the Company.
4	Remuneration proposed	As detailed above.
5	Comparative remuneration profile with respects to Industry Size of the Company, profile of the position and person	The proposed remuneration is commensurate with the size and nature of business of the Company and the responsibility of the appointee. The remuneration do differ from Company to Company in the industry depending on the respective operations.
6	Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any,	Mr. Ankit Patni does not have any pecuniary relationship directly and indirectly with the Company as well as with the managerial personnel. Mr. Ankit Patni is son of Mr. Suresh Kumar Patni, the Chairman of the Company.

III. Other Information:

Reason of Loss or inadequate profits

The depressed Ferro Alloys market due to recession in all major Global Economies has impacted the demand and net realization of the Company's products. The adverse movement in the foreign currency has also impacted the Company's liability on account of raw material procurement. Administered price increase for energy including power, coal and fuel has also added to the cost structure which could not be passed to the consumers in depressed business environment. The Company has incurred losses and has been facing liquidity crunch resulting into fall in capacity utilization.

Steps taken or proposed to be taken for improvement

The Company has undertaken several steps to lowering the overheads and aligning resources with current level of operations. The Company is focusing on cost competitiveness. The Company was brought under the Corporate Debt Restructuring (CDR) Scheme for nursing it to profitability. However, the improvements were not marked. As a corrective

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action plan, the lenders have since invoked Strategic Debt Restructuring (SDR) with reference date of 30th November, 2015. The SDR, however, is yet to be implemented.

Expected Increase in productivity and profits in measurable terms

The management has adopted focused and aggressive business strategies to improve the sales and profitability of the Company. Considering the present sign of improvement in overall business environment, the Company is expecting an increase in its revenue and profitability.

Disclosures

The detail of remuneration and other information is given as above. The requisite details of remuneration etc. of the Director shall be included in the Corporate Governance Report, forming part of the Annual Report of the Company for the financial year 2015-16.

Item No. 6

The Board of Directors had reappointed M/s. S. B. & Associates, Cost Accountants (FRN No.00109), as per recommendation of Audit Committee, being eligible as Cost Auditor of the Company, for a remuneration of Rs. 35,000/- plus applicable taxes and re-imbursement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2016 and ending on 31st March, 2017.

In terms of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration is required to be ratified by the members. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

The Board recommends the resolution set out at Item No. 6 of the notice for approval by the Shareholders.