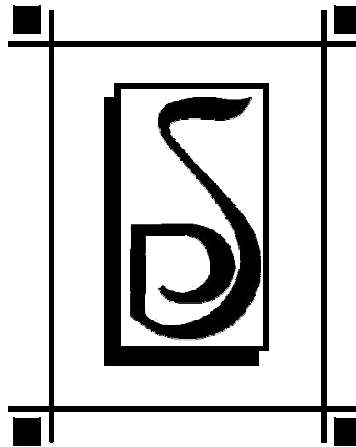


Sargal PAPERS LTD.



35th ANNUAL REPORT 2014 - 2015



SANGAL PAPERS LTD.

CIN : L21015UP1980PLC005138

BOARD OF DIRECTORS

Mr. Himanshu Sangal - Chairman & Managing Director
Mr. Amit Sangal - Director Finance cum CFO
Mr. Tanmay Sangal - Whole Time Director
Mr. Vinayak Sangal - Director
Mr. Prem Sethi - Additional Director
Mrs. Geeta Gupta - Additional Director
Mr. Rohit Kumar Tyagi - Company Secretary

AUDIT COMMITTEE

Mr. Prem Sethi - Chairman (Independent Director)
Mrs. Geeta Gupta - Member
Mr. Himanshu Sangal - Member
Mr. Amit Sangal - Member
Mr. Tanmay Sangal - Member
Mr. Vinayak Sangal - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Prem Sethi - Chairman (Independent Director)
Mrs. Geeta Gupta - Member
Mr. Himanshu Sangal - Member
Mr. Tanmay Sangal - Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Prem Sethi - Chairman (Independent Director)
Mrs. Geeta Gupta - Member
Mr. Vinayak Sangal - Member

AUDITOR :

M/s SHIAM & Co.
Chartered Accountants
Aggarwal Market, Mahaveer Chowk,
Muzaffarnagar, U.P.

REGISTERED OFFICE :

22- KM , Meerut – Mawna Road, Mawana-
250 401, Distt. Meerut (U.P)

E – mail : sangalpapers@hotmail.com

BANKERS :

AXIS BANK LTD.
Boundary Road, Meerut

35TH ANNUAL GENERAL MEETING

Date : 30th September 2015

Day : Wednesday

Time : 11.00 A.M

Place : 22 KM , Meerut- Mawana Road,
Mawana- 250 401, Distt.- Meerut (U.P)

REGISTRAR & SHARE TRANSFER AGENT:

MAS SERVICES LTD.

T- 34, 2nd Floor, Okhla Industrial Area,
Phase – II, New Delhi – 110 020
E-mail : sm@masserv.com, mas_serv@yahoo.com
Phone No. : 011 – 26387281 – 82 -83

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SANGAL PAPERS LTD.

22- Km – Meerut Mawana Road, Mawana- 250 401, Distt. – Meerut (U.P)

E- Mail ID : sangalpapers@hotmail.com, PH. No. : 01233-271515

CIN : L21015UP1980PLC005138

NOTICE TO MEMBERS

Notice is hereby given under the provision of section 101 of the Companies Act 2013 that 35th Annual General Meeting of the Members of SANGAL PAPERS LTD. will be held on Wednesday , the 30th September, 2015 at 11:00 A:M, at the registered office of the Company at Village Bhainsa, 22Km Mawana Road, Meerut, U.P – 250401 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2015, the Statement of Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon as well as Form No. MR-3 Secretarial Audit Report issued by the Practicing Company Secretary for the year ended 31.03.2015 in pursuance to Section 204 (1) of Companies Act, 2013.
2. To Ratification of appointment of Statutory Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), the appointment of M/S SHIAM & Co. (Chartered Accountants), Muzaffarnagar (Registration No. 000030C), as Statutory Auditors upto the conclusion of Thirty Seven (37th) Annual General Meeting be and is hereby ratified and confirmed and that the Board of Directors be and is hereby authorized to fix a Fee of Rs. 75000 /- plus service tax p.a as recommended by the Audit Committee and approved by the Board.”
3. To appoint a Director in place of Mr. Vinayak Sangal (DIN NO. 06833351) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. APPOINTMENT OF MR. PREM SETHI AS AN INDEPENDENT DIRECTOR

To consider and if thought to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Prem Sethi (DIN : 07146425) who was appointed as an Additional Director of the Company with effect from 04th March, 2015 pursuant to Section 161 of the Act, and who holds office as such upto the date of this Annual General Meeting has submitted declaration that he is eligible for appointment and that he meets the criteria of Independence as provided in Section 149 (6) of the Act of the Listing Agreement (s) entered into with the Stock Exchange and that he has given a notice in writing under section 160 of the Act to the Company, proposing himself as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for three consecutive years for a term upto the conclusion of 38th Annual General Meeting of the Company in the year 2018”

5. APPOINTMENT OF MRS. GEETA GUPTA AS AN INDEPENDENT DIRECTOR

To consider and if thought to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Geeta Gupta (DIN : 00095939) who was appointed as an Additional Director of the Company with effect from 04th March, 2015 pursuant to Section 161 of the Act, and who holds office as such upto the date of this Annual General Meeting has submitted declaration that she is eligible for appointment and that she meets the criteria of Independence as provided in Section 149 (6) of the Act of the Listing Agreement (s) entered into with the Stock Exchange and that she has given a notice in writing under section 160 of the Act to the Company, proposing herself as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for three consecutive years for a term upto the conclusion of 38th Annual General Meeting of the Company in the year 2018”

6. INCREASE IN BORROWING POWER OF THE COMPANY

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

“ **RESOLVED THAT** pursuant to Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended, from time to time and Articles of Association of the Company, consent of the Company be and is hereby given to the Board of Directors to borrow moneys, from time to time, whether as rupee loans, foreign currency loans, debentures , bonds and/ or other instruments or non fund based facilities or in any other form (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) from the Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate or from any other source, located in India or abroad, whether unsecured or secured, on such terms and conditions as may be considered suitable by the Board of Directors up to an amount the aggregate outstanding of which should not exceed, at any given time, Rs.35 crore.”

“ **RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of such borrowings, finalise and execute all such deeds, documents and writing as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person.”

THIRTY FIFTH ANNUAL REPORT 2014 - 2015

7. CREATION OF SECURITY ON THE PROPERTIES OF THE COMPANY IN FAVOUR OF THE LENDERS

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

"RESOLVED THAT pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended, from time to time and Articles of Association of the Company, consent of the Company be and is hereby given to the Board of Directors for creation of mortgage/hypothecation/ pledge/charge/security in any form or manner on the properties of the Company whether tangible, intangible or otherwise, both present and future, in favour of lenders including Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate, Trustees for holders of debentures/ bonds and/ or other instruments to secure all credit facilities including rupee loans, foreign currency loans, debentures, bonds and /or other instruments or non fund based facilities availed / to be availed by the company and / or for any other purpose, from time to time, together with interest, further interest thereon, compound interest in case of default, accumulated interest, liquidated damages, all other costs, charges and expenses payable by the Company in respect of such borrowing."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of security, finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, settle any question difficulty or doubt that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole time Director or Director or any other officer of the Company or any other person."

Place : Mawana

Date : 25/05/2015

Reg. Office : 22 KM, Meerut - Mawana Road,
Mawana – 250 401, Distt. Meerut (U.P.)
PH- 01233- 271515, 274324
E- Mail : sangalpapers@hotmail.com

By Order of the Board of Directors

FOR Sangal Papers Ltd.
CIN : L21015UP1980PLC005138

Himanshu Sangal
Chairman & Managing Director

(DIN – 00091324)

NOTES :

1. The Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013 in respect of the special business is annexed to this Notice.
2. **A Member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.**
3. **The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting/ Proxies are requested to sign the attendance slip annexed to the proxy form and hand it over at the gate of the venue of the Meeting.**
4. Pursuant to the provisions of Section 105 of the Companies Act 2013 and the Rules framed thereunder, 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 carrying voting rights. A Member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th Sep. 2015 to 30th Sept. 2015 in terms of the provisions of Section 91 of the Companies Act 2013.
6. In line with Green Initiative of the Ministry of Corporate Affairs, hard copy of the Annual Report containing the Balance Sheet, the Statement of Profit & Loss, the Cash Flow Statement will be sent to those shareholders who have not registered their e- mail addresses. Shareholders who have registered e-mail address will be sent the soft copies by e- mail. However, a shareholder continues to retain the right to request the Company for a hard copy of the Report.
7. To ensure that shareholder's queries are answered in full, shareholders are requested to write to the Company at an early date at the e- mail ID sangalpapers@hotmail.com
8. Relevant documents referred to in the accompanying Notice and the explanatory Statement, the Statutory Registers, the Audited Financial Statement, the Director's Report and the Auditor's Report will remain open for inspection at the Registered office of the Company on all working days between 09.30 A:M to 5.30 P.M. excluding Sundays and public holidays upto the date of the AGM. The Audited Financial Statements, the Director's Report and the Auditor's Report will be placed on the Company's website on : www.sangalpapers.com
9. 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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. **Voting through electronic means:**
In Compliance with provisions of Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide its Members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e- voting services provided by National Securities Depository Limited (NSDL):

The Instructions for shareholders voting electronically are as under :

(i)(i) The voting period begins on 27th September, 2015 at 9.00 A:M and ends on 29th September , 2015 at 6.00 P:M. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September 2015 may cast their vote electronically. The e- voting module shall be disabled by NSDL for voting thereafter.

(ii) Open e- mail and open PDF file viz. "ACL- remote e- Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e- voting. The shareholders should log on to the e- voting [website www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the voting period.



- (iii) Click on "Shareholders" Tab
- (iv) Put user ID and password as initial password noted in step (ii) above. Click Login.
- (v) Password change menu appears, Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e- voting opens. Click on remote e- voting. Active Voting Cycles.
- (vii) Select "EVEN" of **Sangal Papers Ltd.**
- (viii) Now you are ready for remote e- voting as Cast page opens.
- (ix) Cast Your Vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon Confirmation, the message "Vote Cast Successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of the any Company, then your existing password is to be used.
- II Please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting. If a Member cast vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated Invalid. The voting rights of the Members shall be in proportion to their shares of the paid- up Equity Share Capital of the Company as on the Cut- off date of 23rd September 2015.
- III The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e- voting shall be counted for the purpose of passing of resolution (s).
- IV The Company has appointed D.K. Gupta, Practicing Company Secretary (Membership No. FCS 5226 & CP No. 3599), as the Scrutinizer, to scrutinize the e- voting process, in a fair and transparent manner.
- V The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e- voting period, unblock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company .

Place : Mawana

Date : 25/05/2015

Reg. Office : 22 KM, Meerut - Mawana Road,
Mawana – 250 401, Distt. Meerut (U.P.)
PH- 01233- 271515, 274324
E- Mail : sangalpapers@hotmail.com

By Order of the Board of Directors

FOR Sangal Papers Ltd.
CIN : L21015UP1980PLC005138

Himanshu Sangal
Chairman & Managing Director
(DIN – 00091324)

ANNEXURE TO THE NOTICE

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

Resolution at Item No. : 4 & 5

Mr. Prem Sethi (DIN No. 07146425) & Mrs. Geeta Gupta (DIN No. 00095939) are independent directors of the Company and have held the position as such for three consecutive years.

As per the current provision of Company Law and Clause 49 of the listing agreement, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Prem Sethi and Mrs. Geeta Gupta as independent directors under section 149 of the Act and clause 49 of the Listing Agreement to hold office for three consecutive years for a term up to the conclusion of 38th Annual General Meeting of the Company in the Calendar year 2018.

Mr. Prem Sethi & Mrs. Geeta Gupta are not disqualified from being appointed as Directors in term of section 164 of the Act and have given their consent to act as directors.

The Company has received notices in writing from members along with deposits of requisite amount under section 160 of the Act proposing the candidature of each of Mr. Prem Sethi and Mrs. Geeta Gupta for the office of Directors of the Company.

The Company has also received declarations from Mr. Prem Sethi & Mrs. Geeta Gupta that they meet the criteria of independence as prescribed both under sub section (6) of Section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Prem Sethi & Mrs. Geeta Gupta fulfill the conditions for appointment as independent directors as specified in the Act and the Listing Agreement. Mr. Prem Sethi & Mrs. Geeta Gupta are independent of the management.

Brief resume of Mr. Prem Sethi & Mrs. Geeta Gupta, nature of their expertise, specific functional areas and name of Companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationship between directors inter –se as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below :

Details of Director (s) seeking Appointment/ Re-appointment at the Annual General Meeting

Particulars	Prem Sethi	Geeta Gupta
Date of Birth	25/09/1954	13/09/1962
DIN No.	07146425	00095939
Date of Appointment	16/03/2015	16/03/2015
Designation	Independent Director	Independent Director
Qualifications	Graduate	Graduate
Expertise Area	Finance, Taxation, Audit	Finance, Legal
List of Directorship held in other Companies	NIL	NIL
Membership/ Chairmanship Committee of all other Companies	Audit Committee : NIL Stakeholders Relationship Committee : NIL	Audit Committee : NIL Stakeholders Relationship Committee : NIL
No. of Shares held in the Company	NIL	NIL
Relationship with the Director (s) of the Company	NO	NO



Mr. Prem Sethi & Mrs. Geeta Gupta are interested in the resolutions set out respectively at item nos. 4 & 5 of the notice with regard to their respective appointments.

Except above, none of the Directors/Key Managerial Personnel of the company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at item nos. 4 & 5.

Resolution at Item No. : 6 & 7

The shareholder of the company had, in their meeting on 31st July 2010, increased the borrowing limits of the company and authorized the Board of Directors to borrow funds, from time to time, for the business of the company, up to an amount, the aggregate, outstanding of which should not exceed, at any given time Rs.25 crores and to create charge on properties of the Company to secure the repayments of the borrowings. Keeping in view, the existing borrowing and the additional fund requirements for meeting the capital expenditure for the ongoing / future projects, capacity expansion, acquisitions and enhanced long term working capital needs of the Company, the Board of Directors had, in its meeting held on 16th March, 2015, considered and approved subject to the approval of the shareholders, the borrowing limits of the company to Rs. 35 crores and creation of security on the properties of the Company and recommends Resolution no. 6 & 7 of the accompanying Notice to the shareholder for their approval by way of special resolution.

Pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act 2013, approval of the Shareholder by way of special resolution is required to authorize the Board of Director to borrow moneys up to the said limits and create security in respect thereof.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 & 7.

Place : Mawana

Date : 25/05/2015

Reg. Office : 22 KM, Meerut - Mawana Road,
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E- Mail : sangalpapers@hotmail.com

By Order of the Board of Directors

FOR Sangal Papers Ltd.
CIN : L21015UP1980PLC005138

Himanshu Sangal
Chairman & Managing Director
(DIN – 00091324)



DIRECTORS' REPORT TO THE MEMBERS

To
The Members,
Your Directors have pleasure in presenting their 35th Annual Report with the Audited Accounts of the Company for the year ended 31st March, 2015.

FINANCIAL RESULT

PARTICULARS	31.03.2015 (Amount in Rs.)	31.03.2014 (Amount in Rs.)
Turnover	<u>950,642,374</u>	<u>1,016,428,644</u>
Profit Before	55,191,902	66,677,633
Financial Charges and Depreciation		
Financial Charges	24,488,152	28,774,180
Depreciation/ Amortization	6,729,807	16,749,664
PROFIT BEFORE TAX	<u>23,973,943</u>	<u>21,153,789</u>
Current Tax	4,796,650	8,082,860
MAT Credit Entitlement	(104,750)	-----
Deferred Tax Liability	4,856,000	(2,684,000)
Income Tax (Related to Earlier Year)	249,908	57,812
PROFIT AFTER TAX	<u>14,176,135</u>	<u>15,697,117</u>
Balance brought Forward from last Year	160,219,853	144,522,736
Balance Carried Forward to Balance Sheet	174,395,988	160,219,853

OPERATIONAL REVIEW

The Company is moving fast to achieving its goal of maximization of shareholders wealth and objective of the Company. The Company does care to all stakeholder of the Company.

Sangal Papers Ltd. focus in India and outside India over last few years has been to move closer to the ultimate consumers and position its products in a way that consumers can connect with and aspire for with this is in mind . The Company has maintained the world- wide standard in its products and engaged in to give sharpness to the Company's marketing strategies.

Sangal Papers Ltd. has given its best performance in all subjects. During the year under review the Company has achieved a turnover of **Rs. 950,642,374** as against previous figure of **Rs. 1,016,428,644** posting approx **6.47%** decline in sale.

During the year under review PAT (profit after tax) were **Rs. 14,176,135** as compared to previous year figure of **Rs. 15,697,117**. However, the Profit after tax has reduced by **9.69%** in net profit after tax as compared to previous year.

SHARE CAPITAL

The paid up equity capital as on 31st March 2015 was Rs. 13,072,600. During the year under review , the Company has not increased their capital . Further the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

DIVIDEND AND RESERVES

DIVIDEND

Board of Directors of the Company has opted to plough back the profits for future growth and do not recommend any Dividend for the financial year ending on 31/03/2015.

RESERVES

The balance of Reserve & Surplus Account of the Company as on 31/03/2015 was Rs. 179,251,603/-.

FIXED DEPOSITS

The Company has not accepted any fixed deposits and accordingly no amount was outstanding as on the date of the Balance Sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The Company has not given any loans or guarantee covered under the provisions of section 186 of the Companies Act, 2013.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function , process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

CORPORATE SOCIAL RESPONSIBILITY

Since the Company has not fulfill the criteria in respect of constitution of Corporate Social Responsibility as specified in the Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 , therefore no CSR Committee is constituted.

CONSERVATION OF ENERGY

- Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- No specific investment has been made in reduction in energy consumption.
- As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- Since the Company does not fall under the list of Industries which should furnish information on conservation of energy , the question of furnishing the same does not arise.

TECHNOLOGY ABSORPTION

Company's products are manufactured by using In- house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

IMPORTS/ EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. IMPORTS

Import of raw materials during the year amounted to Rs. 43,323,426 /- (previous Year Rs. 29,810,263 /-) and Capital Goods & Spares of Rs. 2,012,079 /- (Previous Year Rs. 1,517,414 /-).

B. EXPORTS

Exports were mainly to Gulf and Asian Countries . Exports during the year increased to Rs. 38,910,936 /- from Rs. 28,186,945 /- in the previous year.