

SHAKTI PRESS LIMITED

21<sup>st</sup> ANNUAL REPORT

2013-14

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## **BOARD OF DIRECTORS**

**Shri Raghav Sharma (DIN 00588740)**

Chairman & Managing Director

**Shri Deepak Dhote (DIN 00156108)**

Joint Managing Director

**Shri Nitin Dhote (DIN 01927677)**

Whole Time Director

**Smt Shailja Sharma (DIN 05210871)**

Whole Time Director

**Shri Shreedhar Parate (DIN 00542525)**

Independent Director

**Shri Sunder Venkatraman (DIN 02153123)**

Independent Director

**Shri Kailashchandra Sharma (DIN 02431885)**

Independent Director

**Shri Ashutosh Potnis (DIN 02575429)**

Independent Director

## **CHIEF FINANCIAL OFFICER**

**Prashant Kale**

## **STATUTORY AUDITORS**

**M/s Pravin Chobe & Co.**

201, Kanchan Appt, Tickekar Road,  
Dhantoli, Nagpur - 440012

## **BANKERS**

**Arvind Sahakari Bank Limited**

Digdoh, Hingna, Nagpur- 440 016

## **REGISTERED OFFICE**

"Shakti House"  
Wardha Road,  
Nagpur-440 012 (INDIA)  
Tel. (+) 91- 712- 2423153, 2425518  
Email: [shaktipresslimited@gmail.com](mailto:shaktipresslimited@gmail.com)  
Website: [Shaktipresslimited.com](http://Shaktipresslimited.com)

## **WORKS**

U – 116, MIDC Industrial Area, Hingana Road,  
Nagpur – 440 016

Kh. No. 49, Tah. Hingna, Vill. Mondha  
Kanoli Bara Road, Nagpur (M. S.)

Kh. No. 69, Village - Mondha, Tah. Hingna,  
Kanoli Bara Road, Nagpur (M. S.)  
Village: Kolari, Tahsil: Chimur  
Ph.07104-235445, 236347,  
Fax - 07104-237694.  
Email: [spl.mondha@gmail.com](mailto:spl.mondha@gmail.com)

## **REGISTRAR & TRANSFER AGENT** **LINK INTIME INDIA PRIVATE LTD**

C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai – 400 078 Ph 022 25963838  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
[sujata.poojary@linkintime.co.in](mailto:sujata.poojary@linkintime.co.in)

## **GRIEVANCE REDRESSAL DIVISION**

[Shaktipresslimited.com](http://Shaktipresslimited.com)

**NOTICE**

**NOTICE**, is hereby given that **Twenty First Annual General Meeting** of the Members of the Shakti Press Limited, will be held on **Tuesday, December 30, 2014 at 10.00 a.m.** at the Registered Office of the Company at U - 116, Hingana M.I.D.C. Industrial Area, Nagpur – 440 016 (Maharashtra), to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at June 30, 2014 and the Statement of Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors, thereon.
2. To appoint a Director in place of **Shri Shreedhar Parate (DIN 00542525)** who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Shri Sunder Venkatraman (DIN 02153123)** who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act 2013, M/s. Motwani & Co., Chartered Accountants, Nagpur, (FRN No. 129106W) be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Pravin Chobe & Co., Chartered Accountants, Nagpur, who wish to discontinue, to hold office for five years, from the conclusion of this Annual General Meeting until conclusion of the 2018-19 Annual General Meeting, subject to annual ratification by the Members in every Annual General Meeting, under the provision of the Companies Act 2013, and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors.

**SPECIAL BUSINESS:**

5. **To amend Clause III C of the Memorandum of Association of the Company** and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to necessary registration approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors (hereinafter referred to as "the Board", which term shall include any of its duly authorised Committees or one or more Directors) is authorised to accept as it may deem fit, the existing Clause III C of the Memorandum of Association, in relation to **other objects**, be and is hereby deleted."

**FURTHER RESOLVED THAT**, the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

6. **To Amend Clause IV of the Memorandum of Association of the Company** and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors (hereinafter referred to as "the Board", which term shall include any of its duly authorised Committees or one or more Directors) is authorised to accept as it may deem fit, Clause IV of the Memorandum of Association, be and is hereby amended and replaced to read as under:

**"The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them."**

**FURTHER RESOLVED THAT**, the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

7. **To adopt new set of Article of Association of the Company** as per the Companies Act 2013 and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**"RESOLVED THAT**, pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**FURTHER RESOLVED THAT**, the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

8. **To Increase the Borrowing Powers of the Board of Directors of the Company** and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the Ordinary Resolution passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the **Board**" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution) to borrow any sum or sums of money (including non fund based facilities) from banks, financial institutions and / or other sources from time to time at their discretion in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of INR 500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the paid-up share capital and free reserves of the Company.

**FURTHER RESOLVED THAT**, the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

9. **Creation of Mortgage and / or Charge on Movable and Immovable Properties of the Company** and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, in supersession of the Ordinary Resolution passed under Section 293(1)(a) of the Companies Act, 1956 by the Members of the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and the Memorandum and Articles of Association of the Company, Listing Agreement entered into with the Stock Exchange and other applicable provisions and subject to the approvals, permissions and sanctions as may be necessary from the concerned regulatory authorities and subject to such terms and conditions as may be imposed by them, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the **Board**" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution) to offer and create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, of any description, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, over all or any of the movable and / or immovable, tangible and / or intangible, properties and assets of any description, of the Company, both present and future, wheresoever situated, in favour of any Bank(s) / Financial Institution(s), and/or any other Lender(s) or their Agent(s) and/or Trustee(s) acting on behalf of any Lender(s) for the purpose of securing the borrowings of the Company or any fund based or non-fund based facilities including but not limited to term loans or working capital facilities whether in Indian Rupees or in foreign currency (collectively referred as the "Facilities") of the Company or the facilities of its Subsidiary(ies), Affiliates, Joint Ventures, Associate Company(ies) or such other form of enterprises (the "Entities"), from time to time, presently availed and/or to be hereafter availed or for the purpose of securing the Securities (comprising foreign currency convertible bonds, fully/partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued / to be issued by the Company or the Entities, from time to time, together with interest, at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the Bank(s), Financial Institution(s) and/ or other Lender(s) or their Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/ revaluation/fluctuation in the rates of exchange and all other monies payable by the Company to the aforesaid parties or any of them under the Agreement / Agreement(s) entered into and / or to be entered into by the Company or the Entities in respect of the said Facilities/Securities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Bank(s), Financial Institution(s), Lender(s) or their Agent(s) and/or Trustee(s) subject to the limits prescribed under Section 180 (1)(c) of the Companies Act, 2013.

**RESOLVED FURTHER THAT**, the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do and perform all such acts, matters, deeds and things, as may be deemed necessary, without further referring to the Members of the Company, including finalizing the terms and conditions, methods and modes in respect thereof, finalizing and executing necessary documents including schemes, agreements, deeds of assignment / conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this resolution and to settle any question, difficulty or doubt that may arise in regard to creating mortgage(s)/ charge(s) as aforesaid or in respect of any other matter in this regard."

10. **Authorization for Related Party Transaction to enter into a business transaction with Related Parties and Associate Company** and in this regard to consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

**"RESOLVED THAT**, pursuant to provision contained in Section 188 and Clause 49(VII) of the Listing Agreement and all other applicable provisions of the Companies Act, 2013, approval, consent of the Members be and is hereby accorded to the Board or any Committee thereof for the business transactions entered into with Related Parties and Associate Company, for purchase/ sale of goods / materials for a period from July 1, 2013 to June 30, 2014 on routine commercial terms.

**RESOLVED FURTHER THAT**, pursuant to provision contained in Section 188 and Clause 49(VII) of the Listing Agreement and all other applicable provisions of the Companies Act, 2013, and subject to such approval, sanction, consent and permission as may be necessary, consent of the Members be and is hereby accorded to the Board or any Committee thereof to enter into the business transaction with Related Parties and Associate Company for purchase/ sale/ supply of goods / materials/ services for a period from July 1, 2014 to March 31, 2015 on routine commercial terms.

**RESOLVED FURTHER THAT**, the Board of Directors or any committee of the Board be and is hereby authorized to vary one or more of the terms and conditions, including the amount of the aforesaid agreement from time to time."

**Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

**Item No: 05**

With the enactment of new Companies Act, 2013, it is considered expedient to amend the form of the existing Memorandum of Association to be in accordance with the requirements under the Companies Act, 2013. In terms of Section 4(1) (c) of the Companies Act, 2013, the Memorandum of Association of a company is to state the objects for which the Company is proposed to be incorporated and any matter considered necessary in furtherance thereof. As such, the requirements of separately indicating the "main objects", "incidental or ancillary objects" and "other objects" under the erstwhile legislation has changed. Accordingly, it is proposed to delete the heading "Other Objects" in the existing Memorandum of Association in order comply with the provision of the Companies Act, 2013 including Table A.

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 05 of the Notice.

**ITEM No: 06**

In terms of Section 4(1)(d) of the Companies Act, 2013, the Memorandum of Association of a company is to state, in the case of a company limited by shares, that liability of its members is limited to the amount unpaid, if any, on the shares held by them. Accordingly, it is proposed to amend Clause IV of the Memorandum of Association so as to comply with the provisions of Section 4 and 13 and other applicable provisions, of the Companies Act, 2013 including Table A.

The Board of Directors at its meeting concluded on December 04, 2014 decided to alter the Memorandum of Association as stated above to comply with the requirements under the Companies Act, 2013.

The proposed new draft Memorandum of Association is being uploaded on the Company's website for perusal by the shareholders.

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 06 of the Notice.

**ITEM No: 07**

The existing Articles of Association ("AoA") are based on the Companies Act, 1956. Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations are no longer in conformity with the amended Act, in force time being.

Therefore, with the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA, by a new set of Articles.

The Board of Directors recommends the passing of this Resolution by Special Resolution. None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 07 of the Notice.

**ITEM No: 08 & 09**

Section 180 (i) (a) and (c) of the Companies Act, 2013 requires the Board of Directors of Company to obtain members' approval to create mortgage/ charge on the immovable property of the Company and to borrow monies in excess of the aggregate of the paid-up share capital and its free reserves, that is to say reserves not set apart for any specific purpose (excluding temporary loans obtained from the Company's bankers in the ordinary course of business).

In view of proposed capital expenditure plans and also to meet the future long term working capital requirements, the Board considers it necessary to have the mortgage and borrowing powers of Rs. 500 Crores (Rupees Five Hundred Crores Only).

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 & No 13 of the Notice.

**ITEM No: 10**

Authorization for Related Party Transaction to enter into an Agreement with Related Parties and Associate Company.

In terms of the provisions of Section 188 of the Companies Act, 2013 and Clause 49(VII) of the Listing Agreement, the prior approval of the Members of the Company is required for entering into business transaction with Related Parties and an Associate Company. For the year 2013-14, these provisions had become applicable after the last AGM 2012-13. Therefore, ratification of the decisions of Board or any Committee, thereof, is sought.

As per the Company's Policy on Related Party Transactions, the Audit Committee has reviewed and approved the transactions that the Board of Directors ("The Board") of your Company intends to enter into business transaction on routine commercial basis, with Related Parties and Associate Company i.e all the business decisions are taken up by him, in respect of purchase/sale of goods/material, for the Financial year 2014 -15.

The Board is of the opinion that transactions outlined above are in the best interest of the Company. Hence, your Directors recommend the above resolution for approval of the Shareholders as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed resolution.

**By Order of Board of Directors**

Place: Nagpur

Date: December 4, 2014

(Raghav Sharma)

00588740

**CHAIRMAN & MANAGING DIRECTOR**

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint Proxy to attend and vote instead of himself and the Proxy need not be the Member of the Company. The Proxies in order to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Book of the Company will remain closed from **Saturday, December 27, 2014 to Tuesday, December 30, 2014 (Both days inclusive)** for the purpose of Annual General Meeting.
3. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under Item Nos. 5, 6, 7, 8, 9 and 10 are annexed hereto and forms part of the Notice.
4. Members / Proxies should fill in the Attendance Slip for attending the Meeting and they are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting. 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.
5. Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of documents including Annual Report to shareholders by a Company can be made through electronic mode. Further, Companies (Management and Administration) Rules 2014 has empowered company to send notice and annual reports through electronic mode. Keeping in view the underlying theme and to support this green initiative of Government in right spirit, company has decided to send notice and annual report to all members in electronic mode to all members whose e-mail id is registered with company or depository participant unless any member has specifically requested for hard copy of Annual Report. The members who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants in case where they are holding shares in electronic forms.
6. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent, Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
7. Members are requested to intimate to the Company, queries, if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
8. The relevant details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, in respect of Directors seeking appointment / re-appointment as Directors under Item Nos. 2 and 3 are also annexed hereto.
9. The Section on General Shareholder Information ("the said Section") containing information of particular relevance to Shareholders forms a part of the Report on Corporate Governance. Attention of all Shareholders is accordingly drawn to the said Section.
10. Additional information in pursuant to clause 49 of the Listing Agreement with stock exchange in respect of directors seeking appointment or reappointment at the AGM is furnished and forms part of this notice. The Directors have furnished requisite consent for their appointment or re-appointment.
11. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic mode are requested to update their PAN to their Deposit Participant. Members holding shares in Physical mode shall send copy of their PAN to R & T Agent of the company.
12. All documents referred to in the notice shall be available for inspection at Company's registered office during 12 noon to 4 pm hours on working days up to the date of AGM. Members are requested to serve minimum 48 hours notice to inspect the same.

## DIRECTORS' REPORT

To  
The Members,

Your Directors hereby present their Twenty First Annual Report on the business and operations of the Company and financial statements for the year ended June 30, 2014.

### FINANCIAL PERFORMANCE/ OPERATIONS:

(Rs. In Lacs)

Financial Results	Year ended on 30-June-2014	Year ended on 30-June-2013
Sales Turnover	1488.34	1189.51
Other Income	0.045	23.06
<b>Total Income</b>	<b>1488.38</b>	<b>1212.57</b>
<b>Profit Before Interest, Depreciation and Tax (PBITD)</b>	<b>(135.17)</b>	<b>(213.95)</b>
Interest & Financial Expenses	78.34	49.72
Depreciation	124.82	130.13
Profit /(Loss) Before Tax	(338.33)	(393.80)
<b>Profit /(Loss) After Tax</b>	<b>(338.33)</b>	<b>(393.80)</b>

### DIVIDEND

For the year ended on June 30, 2014, in the view of the losses, the Directors regret their inability to recommend any dividend.

### OPERATIONS OF THE COMPANY

During the year, the Company achieved a turnover of Rs Rs. 1488.34 lacs. The profit of the company continues in the negative. The net loss for the period is Rs **-338.33** lacs.

### CHANGE IN NATURE OF BUSINESS

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

### REVISION OF FINANCIAL STATEMENT

During year under review there has been no revision of financial statement in the relevant financial year.

### MATERIAL EVENTS OCCURRING AFTER BALANCE SHEET DATE

During period under review there are no material changes and commitments that may affect the financial position of the company.

### SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company do not have subsidiaries, joint ventures or associate Companies.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure:

- that all assets and resources are used efficiently and are adequately protected;
- that all the internal policies and statutory guidelines are complied with; and
- the accuracy and timing of financial reports and management information is maintained.

### REHABILITATION STATUS

In terms of Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985, the Company falls under the category of potentially sick Industrial Company and therefore the fact is required to be reported to Board of Industrial and Financial Restructuring (BIFR). The Company was file reference with Hon'ble BIFR, New Delhi ac the case No 78/2013. Status of reference case 78/2013 on date of this report was pending for determination of sickness.

### SETTLEMENTS

During the year under review, the Company approach to State Bank of India (SBI) and make proposal for Compromise One Time Settlement (OTS) which is under their consideration.

### TRANSFER TO RESERVES

The Company has not transferred any amount to the general reserve account during the reporting period.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Company has not entered into any transaction of material nature with related parties that may have any potential conflict with the interest of the Company.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure A** to the Board's report.



## **NAME CHANGE**

During the year under review, the Company do not had change in name of the Company.

## **INSURANCE**

Fixed and Current Assets of the Company are adequately insured.

## **OUTLOOK FOR NEW SEASON**

The Boards of Directors are trying their best to improve the performance of the Company and hopeful of achieving decent turnover in future.

## **DIRECTOR'S RETIRING BY ROTATION**

In terms of Articles of Association of the Company and as per Section 152(6) of the Companies Act, 2013 provides that 2/3<sup>rd</sup> of the Board of Directors is considered to be Directors liable to retire by rotation, of which 1/3<sup>rd</sup> shall retire at every Annual General Meeting of the Company as per Section 152(6) (e) of the Companies Act, 2013 and the Company shall have an option to re-appoint the retiring Director or appoint someone else in his place.

This year Shri Sunder Venkatraman (DIN 02153123) and Shri Shreedhar parande (DIN 00542525) shall retire by rotation and being eligible offer himself for re-appointment at this Annual General Meeting. The Board of Directors recommends his re-appointment for consideration of the Shareholders.

The brief resume and other details relating to Shri Sunder Venkatraman (DIN 02153123) and Shri Shreedhar parande (DIN 00542525) who is proposed to be re-appointed, as required to be disclosed under Clause 49 of the Listing Agreement, is incorporated in the annexure to the notice calling 28th Annual General Meeting of the Company.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In terms of the provisions of Clause 52 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report as **Annexure B** to the Board's report.

## **EVALUATION OF BOARD'S PERFORMANCE**

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the Stock Exchange/s, the performance evaluation of the Board was carried out during the year under review.

## **BOARD MEETINGS**

Details about Board Meetings held during the Financial Year 2013 -14 are given in the Corporate Governance Report, which forms an integral part of this report.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement/s with the Stock Exchanges.

## **KEY MANAGERIAL PERSONNEL**

Pursuant to the Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions and rules of the Companies Act, 2013, the following existing executives of the Company were designated as the Key Managerial Personnel of the Company by the Board in term of 2(51) of the Companies Act 2013.

- a) Shri Raghav Sharma, Managing Director(MD)
- b) Shri Deepak Dhote, Joint Managing Director(JMD)
- c) Shri Nitin Dhote, Whole time Director(WTD)
- d) Smt Shailja Sharma, Whole time Director(WTD)
- e) Shri Prashant Kale, Chief Financial Officer (CFO) with effect from October 31, 2014.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis and
- (e) 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.
- (f) 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.

## **BOARD MEETINGS**

During the year under review, 5 Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act, the details of which are given in the Corporate Governance Report.

## **SHARE CAPITAL**

As at June 30, 2014 the Authorised Share Capital of the Company was Rs. 11.00 Crores and the paid-up Equity Share Capital stood at Rs. 6.52 Crores. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity shares.

## **LISTING OF SHARES**

During the year, the Shares of the Company were listed on The Bombay Stock Exchange Limited, Mumbai under Scrip Code No. 526841. The Company has from time to time complied with requirements under Listing Agreement.

## **COMMITTEES**

The Company has total three Committees namely Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. The details of which are given in the Corporate Governance Report, forms an integral part of this report.

## **CORPORATE GOVERNANCE CERTIFICATE**

Your Company is committed to achieve the highest standards of Corporate Governance. It has taken adequate steps to ensure that the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange are complied with.

A separate statement on corporate governance is enclosed as a part of the Annual Report along with the Auditor's Certificate on its compliance as **Annexure C** to the Board's report..

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

With respect to Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014, due to no Own Processing operations and only the residual Job Work activities in the solvent extraction plant, the Conservation of energy and Technology absorption are not applicable. A separate statement of Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as **Annexure D** to the Board's report..

## **PARTICULARS OF EMPLOYEES**

In respect of particulars of employees pursuant to Section 196 & 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there were no employees employed throughout the year and were in receipt of remuneration over the maximum limit prescribed under these sections.

## **HUMAN RESOURCES**

The company has adapted good practices to retain, encourage and develop skills of all the employees of the company.

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

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. During the year under review, the Company had no woman employee.

## **CASH FLOW STATEMENT**

The Cash flow statement for the year ended June 30, 2014 is attached to the Balance Sheet.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism/ Whistle Blower Policy has been established by the Company to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

## **RISK MANAGEMENT POLICY AND REPORT**

Your company has taken adequate measures to mitigate various risks impacting the Company, which includes the identification of various risk elements and steps for mitigation of the same.

## **AUDITORS**

M/s. Pravin Chobe & Company, Chartered Accountants, Auditors of the Company retire at ensuing Annual General Meeting. The Company has received a letter, from the Auditors expressing their desire to discontinue, as Statutory Auditors of the Company. Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, Board of Directors has recommended to appoint M/s. Motwani & Co., Chartered Accountants, Nagpur, (Firm Registration No.129106W) as the Statutory Auditors of the Company, in place of M/s. Pravin Chobe & Co., Chartered Accountants, Nagpur, who wish to discontinue.