



40th Annual Report 2019-20

VALLABH STEELS LIMITED

**BOARD OF DIRECTORS**

Mr. Kapil Kumar Jain	Chairman & Managing Director
Mr. Vijay Kumar Sharma	Independent Director
Mr. Suman Jain	Independent Director
Mrs. Neelam Sharma	Independent Director

COMPANY SECRETARY
Ms. Komal Bhalla

CHIEF FINANCIAL OFFICER
Mr. Ajit Kumar Jha

STATUTORY AUDITORS

KR Aggarwal & Associates
Chartered Accountants

SCO 549/10, (1st Floor), Satluj Tower, Opp. Petrol Pump, Cemetery Road,
Near Fountain Chowk, Ludhiana -141001 (Punjab)

BANKERS

Punjab National Bank
Large Corporate Branch
Bhagwati Tower, R.K. Road
Ludhiana-141003

REGISTERED OFFICE

G.T.Road, Pawa, Sahnewal
Ludhiana - 141120 (Punjab)
(CIN: L27109PB1980PLC004327)
E-mail ID: fin.ho@vallabhgroup.com
Website: www.vallabhsteelsltd.in

WORKS

G.T. Road, Nandpur, Sahnewal, Ludhiana - 141120 (Punjab)

CONTENTS	Page Nos.
Notice	1
Directors' Report	7
Auditors' Report	37
Balance Sheet	42
Statement of Profit & Loss	43
Cash Flow Statement	44
Notes on Financial Statements	45

**NOTICE**

Notice is hereby given that the 40th Annual General Meeting of the members of Vallabh Steels Limited will be held at Registered Office of the company at G.T. Road, Village Pawa, Sahnawal, Ludhiana on Saturday, the 26th December, 2020 at 10.00 A.M. to transact the following business:-

AS ORDINARY BUSINESS**1. ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the audited Balance Sheet as at 31st March, 2020, the Audited Financial Statements of the Company for the financial year ended on that date and the Reports of Auditors and Board of Directors thereon.

2. APPOINTMENT OF MR. KAPIL KUMAR JAIN AS A DIRECTOR LIABLE TO RETIRE BY ROTATION:

To appoint a Director in place of Mr. Kapil Kumar Jain (DIN: 00755228), who retires by rotation and, being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS**3. APPROVAL OF REMUNERATION OF COST AUDITOR:**

TO APPROVE AND TO RATIFY THE REMUNERATION OF COST AUDITOR AND IN THIS REGARD TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, IF ANY, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration to M/s. Meenu & Associates, Cost Accountants (having Firm Registration No. 100729), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, of Rs. 30,000/- (Rupees Thirty Thousand Only) plus taxes and reimbursement of actual out of pocket expenses in connection with the aforesaid audit be and is hereby approved."

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

4. APPOINTMENT OF SECRETARIAL AUDITORS:

TO APPROVE THE APPOINTMENT OF THE SECRETARIAL AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2021 AND IN THIS REGARD TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), IF ANY, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the consent of the Company be and is hereby accorded to appointment of M/s. RCS & Company, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2020-21 on such remuneration as may be mutually decided by the Board and the Secretarial Auditors plus taxes and actual out of pocket expenses incurred by them in connection with aforesaid audit."

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

5. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION FOR REGULARIZATION OF MRS. NEELAM SHARMA AS DIRECTOR OF THE COMPANY:

"RESOLVED THAT Mrs. Neelam Sharma (having DIN 07656064), who was appointed as an Additional Director with effect from January 29, 2020 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit, proposing her candidature for the office of a director, be and is hereby appointed as a director of the Company."



6. **TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION FOR APPOINTMENT OF MRS. NEELAM SHARMA AS AN INDEPENDENT DIRECTOR:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mrs. Neelam Sharma (having DIN 07656064), Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of her appointment and that she shall not be liable to retire by rotation."

BY ORDER OF THE BOARD OF DIRECTORS

**PLACE : LUDHIANA
DATED : 28.11.2020**

**Sd/-
(KOMAL BHALLA)
COMPANY SECRETARY**

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed herewith and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY FORM, IN ORDER TO BE EFFECTIVE, DULY COMPLETED, STAMPED AND SIGNED, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.**
A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the Board Resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the company will remain closed from Sunday, the 20th December, 2020 to Saturday, the 26th December, 2020 (both days inclusive) on account of Annual General Meeting.
5. Members, Proxies and Authorised representatives are requested to bring to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP Id and Client ID/Folio No. (as the case may be).
6. Members holding shares in physical mode are requested to notify the change in their address, if any, at the earliest to the Registrar & Share Transfer Agents of the company. However, members holding shares in electronic mode may notify the change in their address, if any, to their respective Depository Participants (DPs).
7. As Amended by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 08, 2018 members holding shares in physical form are mandatorily required to dematerialize their holding in order to eliminate all risks associated with physical shares. Members can contact the Company or Mas Services Limited for further assistance.
8. The Securities and Exchange Board of India (SEBI) vide circular dated April 20, 2018 as modified by circular dated July 16, 2018 has mandated the submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members of the company holding shares in physical form can submit their PAN and Bank Account details to the Company/Registrar and Share Transfer Agent (RTA).
9. Pursuant to the provisions of Section 124 of the Companies Act, 2013, no amount is pending or lying unpaid or unclaimed for a period of 7 (Seven) years to be transferred to the Investor Education and Protection Fund (IEPF) constituted by Central Government.



10. Members are requested to send their queries on the accounts, if any, so as to reach the Registered Office of the Company at least seven days before the meeting to enable the company to have relevant information ready at the meeting.
11. M/s. K. R. Aggarwal & Associates, Chartered Accountants, Ludhiana (Firm Regn. No. 030088N) were appointed as Statutory Auditors of the Company and they hold office till the conclusion of 42nd AGM (to be held in calendar year 2022). In view of the amendments made by Companies (Amendment) Act, 2017 the requirement of ratification of Statutory Auditors at every general meeting is no more necessary. As such resolution for seeking ratification of appointment of Statutory Auditors has not been placed before the shareholders at this Annual General Meeting.
12. A brief resume of Directors to be re-appointed, nature of their expertise in specific functional areas, disclosure of relationship between directors inter-se, names of Companies in which the person holds the directorship and the membership of Committees of the board and shareholding of non-executive directors as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the explanatory statement and annexure to this notice.
13. Copy of the Annual Report including notice of the 40th Annual General Meeting (AGM) of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the same is being sent through the permitted mode.
14. Members are requested to bring their copy of Annual Report along with them to the AGM.
15. The Registers maintained under Section 170, 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
16. The facility for voting through ballot or polling paper will also be available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting will be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
17. Members may also note that the Notice of the 40th AGM and the Annual Report for the financial year 2019-20 is also available on the Company's website at www.vallabhsteelsltd.in and on the website of the Stock Exchange i.e www.bseindia.com
18. Members may also note that the equity shares of the company have been included in the list of securities for compulsory trading in dematerialized form under ISIN No. INE457E01016. **Shareholders are, therefore, advised to dematerialize their shareholding to avoid inconvenience in future. After 31st March, 2019 the shares held in physical form will not be transferred. They are requested to send their Dematerialisation Request Form (DRF) through their Depository Participant (DP).**

VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the members facility to exercise their right to vote on resolutions proposed to be considered at the 40th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting service. The facility of casting of votes by the members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).

PROCESS AND MANNER FOR E-VOTING:

The instructions for e-voting are as under:

- A. **In case of members receiving e-mail from RTA/NSDL (for Members whose e-mail ids are registered with the Company/Depositories):**
 - i. Open e-mail and open PDF file viz. "VSL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on "Shareholders" Login.
 - iv. Put User Id and password as initial password noted in step (i) 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 "Vallabh Steels Limited" which is 115116
- viii. Now you are ready for remote e-voting as Cast Vote 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to jatinsingal@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case Members receiving the physical copy of Notice of 40th Annual General Meeting (for Members whose e-mail ids are not registered with the Company/Depositories or requesting physical copy):

- a. Initial password is provided in the attendance slip.
- b. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of 'A' above to cast vote.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222 990.
- d. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- e. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- f. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Saturday, the 19th December, 2020 may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, Mas Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

C. General Instructions:

- i) The e-voting period shall commence at 9.00 a.m. on Wednesday, the 23rd December, 2020 and shall end at 5.00 p.m. on Friday, the 25th December, 2020. During this period members of the Company, holding shares either in physical or in dematerialized form, as on the record date i.e. Saturday, the 19th December, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The Company has appointed Mr. Jatin Singal, Practicing Company Secretary (Membership No. FCS - 9716 & C.P. No. 11976) to act as the Scrutinizer to scrutinize the voting at AGM and for e-voting process in a fair and transparent manner.
- iii) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- iv) The results declared alongwith the report of Scrutinizer shall be placed on the website of the Company at www.vallabhsteelsltd.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him and the same shall be communicated to Stock Exchange.
- v) Members are requested to support the "Green Initiative" by registering their E-mail address with the Company, if not already registered. Those members who have changed their E-mail ID are requested to register their new E-mail ID with the Depository Participant where shares are held in Demat mode and in case the shares are held in physical form, may register the E-mail ID with the Registrar & Share Transfer Agent of the Company by sending a letter under their Registered Signature at the below mentioned address:

Mas Services Limited

T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020, Phone: 011-26387281-83, Fax: 011-26387384, E-mail: info@masserv.com

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : LUDHIANA
DATED : 28.11.2020

Sd/-
(KOMAL BHALLA)
COMPANY SECRETARY

**EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 CONCERNING ITEM NOS. 3 TO 6 OF SPECIAL BUSINESS (AS PART OF NOTICE):****FOR ITEM NO. 3**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Meenu & Associates, Cost Accountants as the Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, the Board has recommended and seeks consent of the members for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

FOR ITEM NO. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. RCS & Company, Company Secretaries as Secretarial Auditors to conduct the audit of the Company for the financial year 2020-21 pursuant to the provisions of Section 204 of the Act read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Accordingly, the Board recommended and seeks consent of the members for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for appointment of the Secretarial Auditors for the financial year ending March 31, 2021.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

FOR ITEM NO. 5 & 6

Mrs. Neelam Sharma was appointed as an Additional Director w.e.f. January 29, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting.

In this regard the Company has received request in writing from a member of the company along with requisite deposit proposing candidature of Mrs. Neelam Sharma for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Further she has given a declaration that she meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mrs. Neelam Sharma fulfils the conditions as specified in the Act & Rules made thereunder for appointment as Independent Director and she is independent of the management. The Board recommends resolutions under Item Nos. 5 and 6 to be passed as ordinary resolutions.

None of the Directors, except Mrs. Neelam Sharma, the appointee and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS**PLACE : LUDHIANA
DATED : 28.11.2020****Sd/-
(KOMAL BHALLA)
COMPANY SECRETARY**


ANNEXURE TO THE NOTICE
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard]

Name of Director	Mr. Kapil Kumar Jain	Mrs. Neelam Sharma*
Date of Birth and Age	12.08.1950, 70 Years	19.03.1971 49 Years
Qualification and Experience	Graduate, 47 Years	Graduate, 24 Years
Date of Appointment on the Board	15.03.1992	29.01.2020
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not Related to any Director/ Key Managerial Personnel	Not Related to any Director/ Key Managerial Personnel
Expertise in Specific Functional Area	Mr. Kapil Kumar Jain has vast experience in Business Management	Mrs. Neelam Sharma has vast experience in the field of Human Resources
Names of other public entities in which the person hold the Directorship	None	None
Names of other public entities in which the person holds Membership/ Chairmanship of the Committees of the Board	None	None
Shareholding in the Company as on March 31st, 2020	2,32,000 shares	None
Number of the Meetings of the Board attended during the year	17/17 meetings attended	4/4 meetings attended

Note : *Mrs. Neelam Sharma has been appointed on 29th January, 2020

**DIRECTORS' REPORT**

To

The Members,

Vallabh Steels Limited

We have pleasure in presenting the 40th Annual Report of the Company alongwith the Audited Statement of Accounts for the year ended 31st March, 2020:

FINANCIAL RESULTS:

	(Rupees in Lakhs)	
	Current Year	Previous Year
Revenue from Operations and Other Income	4097.12	11689.13
Profit before Interest, Depreciation and Tax	-2363.16	599.58
Less:		
Financial Costs	375.26	343.98
Provision for Depreciation	284.77	235.17
Taxes: Current Tax	--	4.92
MAT Credit Entitlement	--	(4.92)
Deferred Tax/Earlier year tax adjustment	(18.81)	(3.90)
Profit after Tax	(1721.94)	24.33

PERFORMANCE REVIEW:

During the year under review, the Company has recorded a fall in revenue operations which are placed at Rs. 4097.12 lakhs as compared to Rs. 11689.13 lakhs in the previous year. This has been primarily due to shortage of working capital and large imports from China in the country. Outbreak of pandemic (COVID 19) has further adversely affected the industry denting the performance of the Company.

As a result the Company has registered a loss of Rs. 1721.94 lakhs as compared to profit of Rs. 24.33 lakhs in the previous year.

The management of the Company is seized of the matter and taking all out steps to face the various challenges.

INDUSTRY AND ECONOMIC SCENARIO:

India is third largest producer of steel in the world after China and Japan. Steel demand in India is expected to grow in 2020-21 based on expected growth in different sectors. Due to COVID-19, the worldwide industry in general has been badly affected. However, of late the management hopes for a revival of industry which may lead to better scenario.

IMPACT OF COVID-19 ON BUSINESS OF THE COMPANY:

The Company has its manufacturing operations in Punjab. The Company's business was impacted in the month of March, 2020 when curfew was imposed in Punjab and followed by announcement of nationwide lockdown from 25th March, 2020. This resulted in complete shutdown of all economic and social activities. Keeping in view the guidelines, the Company could resume its manufacturing operations. With the easing of lockdown norms and opening up of commercial activities, the manufacturing operations of the Company are gradually improving.

The Company has made efforts towards maintaining health and safety of its employees by adhering to social distancing norms, use of masks and sanitizers etc. Meetings are virtually held and practice of working from home has been followed.

COVID-19 has also affected the working of the Company on availability of raw materials, sales and financial/credit facilities. This has posed unprecedented situations, the Company may not be able to quantify its future impact on business.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

Presently also the Company is facing the shortage of working capital facilities resulting in adversely affecting the Bank borrowings and thus performance of the Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year under review, there are no changes in the nature of the business of the Company.

SHARE CAPITAL:

The Company's paid up equity share capital as at March 31, 2020 stood at Rs. 4,95,00,000/- comprising of 49,50,000 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any fresh shares.

**EXPORTS:**

Despite all efforts made by the management for exports of its products, the company could not register any exports during the year under report.

DIVIDEND AND RESERVES:

Keeping in view the loss suffered by the Company, the Board of Directors has not recommended any dividend.

LISTING OF SHARES:

The Equity Shares of the Company are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. The Company has duly paid the listing fee to BSE Limited, Mumbai upto the Financial Year 2020-21.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits from the Public during the year within the ambit of Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Sh. Kapil Kumar Jain, Chairman and Managing Director of the Company (having DIN No. 00755228), retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. The Board of Directors recommends his re-appointment.

During the year under review, the Company appointed Mrs. Neelam Sharma (having DIN 07656064) as additional Director of the Company with effect from January 29, 2020. Her appointment is proposed to be confirmed in the ensuing Annual General Meeting. The detail of Directors seeking reappointment as required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the notice of ensuing Annual General Meeting which is being sent to the shareholders along with Annual Report.

During the year under review, Mrs. Sunita Maggu resigned as Director of the Company. The Board has placed on record its sincerest thanks and gratitude for the invaluable services rendered by her during her tenure as a Director of the company.

During the year under review, Mr. Suresh Gupta resigned from the post of Chief Financial Officer (CFO) of the Company. The Board has placed on record its appreciation for the assistance and guidance provided by Mr. Suresh Gupta as Chief Financial Officer (CFO) during his tenure. The Company has appointed Mr. Ajit Kumar Jha as Chief Financial Officer (CFO) of the Company.

During the year under review, Mrs. Chandni Jain resigned from the post of Company Secretary and Compliance Officer of the Company. The Board has placed on record its appreciation for the assistance and guidance provided by Mrs. Chandni Jain as Company Secretary and Compliance Officer of the company during her tenure. The Company has appointed Mrs. Komal Bhalla as Company Secretary and Compliance Officer of the Company.

The Company has received declaration of independence from all the Independent Directors of the Company that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Kapil Kumar Jain, Managing Director, Mr. Ajit Kumar Jha, Chief Financial Officer (CFO) and Mrs. Komal Bhalla, Company Secretary and Compliance Officer of the Company.

INTERNAL FINANCIAL CONTROLS:

Your Company has an adequate system of internal control in place which has been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting as detailed in Management Discussion and Analysis.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178 of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which forms part of this report.

MEETINGS:

A draft calendar of Meetings is prepared and circulated in advance to the Directors. During the year 17 (seventeen) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between two meetings was within the stipulated period prescribed under the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS:

Your Directors are pleased to present the Management's Discussion and Analysis of operations for the year ended March 31, 2020 attached as **Annexure-I** which forms part of this Annual Report.