

VIRGO POLYMERS INDIA LIMITED

BOARD OF DIRECTORS

Shri. Mahesh Bohra

Director

Shri. Sunil Saraf

Director

Shri. Varun Ramsisaria

Director

Shri. Alok Sethia

Director

Shri. Vivek Ramsisaria

Director

Smt. Mamta Ramsisaria

Director

REGD. & ADMINISTRATIVE OFFICE

CIN No.L25200TN1985PLC011622

A-1-A, MMDA Industrial Complex, Maraimalai Nagar, Chennai-603209

Phone: 044-27452716

Fax: 44-27452916

E-mail: info@virgopolymer.com

Website: www.virgopolymer.com

REGISTRAR AND SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICE LIMITED

“Subramanian Buildings”

1, Club House Road,

Chennai-600 002.

Phone: 28460390.

Mail- cameo@cameoindia.com

AUDITORS

M/s Venkat & Rangaa

Chartered Accountants

No.5/31, First Floor, Second St.

East Abhiramapuram,

Mylapore, Chennai - 600 004.

SECRETARIAL AUDITOR

Lakshmmi Subramanian & Associates

“Murugesu Naicker Office Complex”

No.81, Greaves Road, Chennai - 6

Virgo Polymers India Limited

CIN:L25200TN1985PLC011622

A-1-A, MMDA, Industrial Complex, Maraimalai Nagar
Chennai-603209

NOTICE is hereby given that the 31st Annual General Meeting of Virgo Polymers India Limited will be held on Monday the 26th September 2016 at A-1-A, MMDA, Industrial Complex, Maraimalai Nagar, Chennai-603209 at 10.30 a. m to transact the following business:

ORDINARY BUSINESS

1-To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Board of Directors and the Auditors thereon,

2-To appoint a Director in the place of Shri.Varun Ramsisaria (having Din.01107837) who retires from office by rotation and being eligible offers himself for reappointment.

3-Ratification of Appointment of Auditors

To consider, and if thought fit, to pass with or without modification the following resolution as an ordinary resolution

RESOLVED THAT in pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act 2013 and Companies (Audit and Auditors) Rules 2014 as amended from time to time the company hereby ratifies the appointment of M/s. Venkat & Rangaa, Chartered Accountants, (Firm Registration No. 004597s), as statutory auditors of the company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the company to be held in the year 2017 at such remuneration as may be mutually agreed between the board of directors of the company and Auditor.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration committee and approval of the Board and subject to the provision of sections 196,197,198 and 203 of Companies Act 2013 and the rules made thereunder inclusive of any statutory modification thereof read with schedule V of the Companies Act 2013 approval of the members of the company be and is hereby accorded to the appointment of Mr.Vivek Ramsisaria as whole time director of the company for a period of five years w.e.f.29.05.2015 and payment of remuneration for the aforesaid period on the terms and conditions as approved by the remuneration committee in its meeting held on 29.05.2015 and recommended by the Board as detailed below

Salary: Rs 600000/- (Rs.Six lakhs only) per annum plus perquisites and other allowances . The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in the Companies Act, 2013.

RESOLVED FUTHER THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to do all statutory filings as required by the Companies Act 2013

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

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration committee and approval of the Board and subject to the provision of sections 196,197,198 and 203 of Companies Act 2013 and the rules made thereunder inclusive of any statutory modification thereof read with schedule V of the Companies Act 2013 approval of the members of the company be and is hereby accorded to the appointment of Mr.Varun Ramsisaria as whole time director of the company for a period of five years w.e.f.29.05.2015 and payment of remuneration for the aforesaid period on the terms and conditions as approved by the remuneration committee in its meeting held on 29.05.2015 and recommended by the Board as detailed below

Salary: Rs 500000/- (Rs.Five lakhs only) per annum plus perquisites and other allowances . The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in the Companies Act, 2013.

RESOLVED FUTHER THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to do all statutory filings as required by the Companies Act 2013

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

RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration committee and approval of the Board and subject to the provision of sections 196,197,198 and 203 of Companies Act 2013 and the rules made thereunder inclusive of any statutory modification thereof read with schedule V of the Companies Act 2013 approval of the members of the company be and is hereby accorded to the appointment of Ms..Mamta Ramsisaria as whole time director of the company for a period of five years w.e.f.29.05.2015 and payment of remuneration for the aforesaid period on the terms and conditions as approved by the remuneration committee in its meeting held on 29.05.2015 and recommended by the Board as detailed below

Salary: Rs 240000/- (Rs.two lakh forty thousand only) per annum plus perquisites and other allowances . The overall limit of the salary inclusive of perquisites and other allowances shall not exceed the ceiling as provided in the Companies Act, 2013.

RESOLVED FUTHER THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to do all statutory filings as required by the Companies Act 2013

**By and on behalf of Board of Directors
For Virgo Polymers India Limited**

Place: Chennai
Date:12.08.2016

**Sd/-
Vivek Ramsisaria
Director**

NOTES:

1- A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the 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.

THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE MEETING.

Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purpose.

2- The Register of Members and Transfer Books of the Company will remain closed from Monday, 19th September 2016 to Monday, 26th September 2016 (both days inclusive) for the purpose of AGM.

3- Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

4- The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no./DP Id/Client Id to the company's email id : infor@virgopolymer.com

5- Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.

6- Members who hold shares in physical form are requested to dematerialize their holdings to make the Company's shares traded in normal segment.

7- Information about Directors retired by rotation.

Name of the Director	Shri. Varun Ramsisaria
Din	01107837
Dt. Of Birth	30.09.1984
Date of appointment	25.08.2011
Experience	Office Management and Marketing activities
No.of shares as on 31.03.2016	Nil

Directorship in other public companies

1-Big Bags (India) Pvt.Ltd	8-Sakshi Polymers Pvt.Ltd
2-New Age Vanilla & Spice Pvt.Ltd	9-Ayyukta Polymers Pvt.Ltd
3-Etios Polymers Pvt.Ltd	10-Abhijeet Polymers Pvt.Ltd
4-Udhbhav Polymers Pvt.Ltd	11-Girivar Polymers Pvt.Ltd
5-Vidyavaridhi Estates Pvt.Ltd	12-Tapti Buildcon Pvt.Ltd
6-Shwetambar Polymers Pvt.Ltd	13-Bahuguna Infracon Pvt.Ltd
7-Adidev Polymers Pvt.Ltd	14-Viva Petrochemical LLP

Chairman/Member of committees of company

Nil

Relationship with any other Director

Vivek Ramsisaria and Mamta Ramsisaria

8-Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

9- Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 31st Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional. The procedure and instructions for the same are as follows:

The Company will provide the e-voting facility through CDSL. The e-voting procedures are set out below:

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on 23.09.2016 at 9.00 A.M. and ends on 25.09.2016 at 5.00 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 (record date) 19.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab
- (iv) Now, select the " VIRGO POLYMERS INDIA LIMITED " from the drop down menu and click on " SUBMIT"
- (v) Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the image verification as displayed and click on Login
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.

• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB# Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)**

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Virgo Polymers India Limited
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

10-Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

- (i) The manner of voting for the members being present in the General Meeting will be on "proportion principle" ie one share one vote unlike one person one vote principle, further, as per the provision of the Companies Act, 2013, demand for poll will not be relevant.
- (ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, ie voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.
- (iv) The facility for voting through ballot form shall be made available to all the shareholders who could not exercise their vote through e-voting. The ballot paper in Form MGT-12 is being sent to all the members, along with this report. The voting rights of Members shall be in proportion their shares of the paid up equity share capital of the Company as on 19.09.2016.

A Member desiring to exercise vote by ballot paper should complete the Ballot Form attached with this report and sent it to : Virgo Polymers India Limited, A-1-A, MMDA, Industrial Complex Maraimalai Nagar, Chennai, Tamilnadu-603209.

Please return the form duly completed through post or courier, so as to reach the company on or before the close of working hours of between 10.00 a.m and 5.00 p.m on 25.09.2016

The facility of voting through ballot form shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot form

- (v) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares on the cut-off date i.e. 19.09.2016 may obtain the login ID and password by sending an email to investor@cameoindia.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote
- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will 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, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.virgopolymer.com and website of CDSL <http://www.evotingindia.com> and also forward the same to the Bombay Stock Exchange of India Limited simultaneously, where the Company's shares are listed.

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

Item No. 4-6

Mr. Varun Ramsisaria was appointed as the director of the company w.e.f.25.08.2011, Mr. Vivek Ramsisaria was appointed as the director of the company w.e.f. 18.01.2008 and Ms.Mamta Ramsisaria was appointed as the director of the company w.e.f.03.10.2012. Since the company has no executive director , the Board of directors decided to appoint whole time directors in order to comply with the provisions of companies Act 2013 and to manage the company effectively. Accordingly in terms of recommendation of Nomination and Remuneration committee and approval of Board of Directors Mr. Vivek Ramsisaria, Mr.Varun Ramsisaria and Ms. Mamta Ramsisaria were appointed as the whole time directors of the company w.e.f.29.05.2015 in accordance with the provisions of Sections 196,197,203 read with schedule V of the Companies Act 2013 subject to the approval of the members in the ensuing Annual General Meeting by passing an Ordinary Resolution

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of section 190 of the Companies Act 2013.

The Board of directors recommends the resolution in relation to the appointment of Whole Time Directors for the approval of the members of the Company.

None of the Directors / Key Managerial Personnel of the company / their relatives except Mr.Vivek Ramsisaria, Mr. Varun Ramsisaria and Ms. Mamta Ramsisaria is in any way, concerned or interested financially or otherwise, in the resolution set out in items 4 to 6 of the Notice.

**By and on behalf of Board of Directors
For Virgo Polymers India Limited**

Place: Chennai

Date:12.08.2016

**Sd/-
Vivek Ramsisaria
Director**

DIRECTORS' REPORT

Ladies and Gentlemen,

Your Directors have pleasure in presenting 31st Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the Financial Year ended 31st March, 2016. The summarized financial results for the Financial Year are as under:

FINANCIAL SUMMARY

	2015-2016 (Rs in lakh)	2014-2015 (Rs in lakh)
Profit before Tax	49.08	32.45
Tax- current year (Provision)	(20.64)	(21.61)
Tax-Deferred tax (Provision)	4.41	33.73
Net profit for the year	32.84	44.57

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS OF THE COMPANY

During the year under review, the Company has earned net profit of Rs.32.84 lakh as against profit of Rs44.57 lakh in the previous year.

BUSINESS OPERATIONS:

The company Manufacture an extensive range of FIBC (Jumbo bags, big bags, bulk sacks) in various designs and sizes. FIBC is one of the most cost effective and ideal type of packaging solutions for transportation and storage of goods. These bags are made of polypropylene fabric.

DIVIDEND

Considering the current insufficient profits, the Board of Directors is not recommending any dividend for the year 2015-2016.

TRANSFER OF PROFIT TO RESERVES

During the year your company has transferred the profit of Rs 32.84 lakhs to the reserve account.

MATERIAL CHANGES AND COMMITMENTS OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31,2016) and the date of the Report and there is no significant and material orders passed by the regulators or courts or tribute impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:

During the year 2015-16, The Company has made investment in equity shares of the Company Engineered Power Resources (I) Private Limited within the prescribed limit specified under section 186 of the Act.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company doesn't have any subsidiaries, associates and joint venture companies

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134 (3) (m) of the Companies Act 2013 are attached as Annexure -1:

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL (KMPs)

Board Composition and Independent Directors

The Board consists of three Executive Director and three Independent Directors. Mr.Varun Ramsisaria , Mr. Vivek Ramsisaria and Ms. Mamta Ramsisatia are being appointed as Whole Time Directors for five years in this AGM

Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act, 2013 Mr. Varun Ramsisaria who retire by rotation at the forthcoming AGM and is eligible for re-appointment.

Key Managerial Personnel

The Company is in the process of appointing Key Managerial Personnel as required by the provisions of Section 203 of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

As per the Companies Act 2013, your company had appointed three independent directors and they have declared that they meet the criteria of independence in terms of Section 149(6) of the Companies Act 2013 and that there is no change in their status of Independence.

POLICY OF DIRECTORS APPOINTMENT AND REMUNERATION

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company .

INFORMATION U/s 197(12) OF THE COMPANIES ACT 2013

The information required under section 197 (12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as **Annexure-2**.

STATUTORY AUDITORS:

As per the provisions of the Companies Act 2013, M/s.Venkat & Rangaa, Chartered Accountants, had been appointed as the statutory auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting held on 30.12.2015 till the conclusion of Annual General Meeting to be held in 2017(32nd AGM) subject to the ratification of share holders in every Annual General Meeting . The company has received confirmation from the auditor regarding his consent and eligibility under sections 139 and 141 of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

The Audit committee and the Board of Directors have recommended to ratify the appointment of auditor for the financial year 2016-17. The necessary resolution is being placed before the shareholder for their approval.

COMMENT ON STATUTORY AUDITOR REPORT

Statutory Auditor of the company has given an unmodified report without any qualification or observation.

SECRETARIAL AUDITOR

Pursuant to the requirements of Section 204(1) of the Companies Act 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, the company has appointed, Mrs Lakshmmi Subramanain & Associates , Practicing Company Secretaries to conduct the secretarial audit for the financial year 2015-16.The Secretarial Audit report as received from the secretarial auditor is annexed to this report as **Annexure-3**

COMMENT ON SECRETARIAL AUDIT REPORT

With reference to the remarks made by the secretarial auditor, Mr. P.S. Srinivasan, Practicing Company Secretary, in his secretarial audit report, the company has taken the corrective measures during the current financial year.

INTERNAL CONTROL AND ITS ADEQUACY

The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. The internal auditors of the Company regularly conduct audit and submit his quarterly reports, which are reviewed by the Audit Committee. The Company has an adequate Internal Control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.