



Quality Assured Company  
ISO-9001:2000



# ANNUAL REPORT 2017-2018

# PASUPATI ACRYLON LIMITED

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## BOARD OF DIRECTORS

### **Managing Director**

Mr. Vineet Jain

### **Directors**

Mr. D. K. Kapila

Mr. S.C. Malik

Mr. S. Sathyamoorthy

Ms. Soma Garg

Mr. Satya Prakash Gupta (Director Operations)

### **Auditors**

M/s. Suresh Kumar Mittal & Co.

Chartered Accountants

New Delhi

### **Bankers**

Allahabad Bank

State Bank of India

UCO Bank

Bank of Maharashtra

Bank of Baroda

Canara Bank

### **Regd. Office & Works**

Thakurdwara

Kashipur Road

Distt. Moradabad (U.P.)- 244 601

Ph: 0591-2241352-55, 2241263

Fax: 0591-2241262

Email: works@pasupatiacrylon.com

### **Corporate Office**

M-14, Connaught Circus,

(Middle Circle)

New Delhi-110 001

Ph : 011-47627400

Fax : 011-47627497

Email: delhi@pasupatiacrylon.com

### **Registrar & Share Transfer Agents**

MCS Share Transfer Agent Ltd.

F-65, Okhla Industrial Area

Phase-I, New Delhi-110 020

Ph: 011-41406149 Fax: 011-41406148

Email: admin@mcsregistrars.com

## NOTICE



Notice is hereby given that the 35th Annual General Meeting of the members of Pasupati Acrylon Limited will be held on Thursday the 27<sup>th</sup> day of September 2018 at the Registered Office of the Company at Village Thakurdwara, Kashipur Road, Distt. Moradabad (U.P.) at 10.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements comprising the Balance Sheet as at March 31<sup>st</sup>, 2018 and the statement of Profit & Loss and Cash Flow for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vineet Jain (DIN 00107149), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To ratify appointment of Auditors and to authorise the Board of Directors 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 an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there-under, as amended from time to time, M/s. Suresh Kumar Mittal & Co., Chartered Accountants (Registration No. 500063N), be and are hereby ratified the appointment as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Ninth AGM of the company to be held in 2022 and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board in consultation with the Auditors.

### SPECIAL BUSINESS

4. **“RESOLVED THAT** Mr. Satya Prakash Gupta (DIN 00509809) who was appointed as Additional Director pursuant to the provisions of Section 161(1) and other applicable provisions (including any modification or re-enactment thereof) if any, of the Companies Act, 2013, to hold such office upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing pursuant to Section 160 of the Companies Act 2013 proposing his candidature to the office of Director be and is hereby appointed as Director of the Company.”
5. To appoint Mr. Satya Prakash Gupta (DIN 00509809) as Whole time Director, designated as Director (Operations) and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Satya Prakash Gupta as Whole-time Director, designated as Director (Operations) of the Company, for a period of 3 (Three) years with effect from 29<sup>th</sup> May, 2018, on the terms and conditions including remuneration as set out in the statement annexed to the Notice with liberty to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include the Nomination & Remuneration Committee of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Satya Prakash Gupta, subject to the same not exceeding the limits specified under Section 177 and Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof without any further reference to shareholders in General Meeting.

**RESOLVED FURTHER THAT** the board 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.

**RESOLVED FURTHER THAT** Mr. Vineet Jain, Managing Director of the Company be and is hereby authorized to take all actions on above matters.”

6. To approve the remuneration of Cost Auditor for the financial year ending March 31, 2019 and in this regard 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 provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Satnam Singh Saggi, Cost Auditor, (Membership No.M-10555) 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 31<sup>st</sup> March, 2019 be paid remuneration as set out in the explanatory statement to the Notice convening this Meeting.

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

## NOTICE (Contd.)



### Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.  
A person can act as proxy on behalf of members not exceeding fifty 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.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and Memberships / Chairmanships of the Board Committees, shareholding and relationships between Directors inter se as stipulated under SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working day, except Saturdays, during business hours up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 20, 2018 to Thursday, September 27, 2018 (both days inclusive).
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/MCS.
10. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. In compliance with the provision of Section 108 of the Act and the Rules framed there-under, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this notice.

The instructions for e-voting are as under:

### VOTING THROUGH ELECTRONIC MEAN

1. Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e-voting facility to the members. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system provided by Central Depository Services (India) Limited (CDSL).
2. The notice of Annual General Meeting will be send to the members, whose names appear in the Register of Members/ depositories as at closing hours of business, on 14<sup>th</sup> August, 2018.
3. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client ID, irrespective of the number of joint holders.
4. The Company has appointed M/s S.K. Hota Associates Practicing Company Secretary (Membership No.16165, Certificate No.6425,) as Scrutinizer for conducting the e-voting process in the fair and transparent manner.
5. The scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a final report to the Chairman of the Company.
6. The results shall be declared at the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) and on the website of CDSL within two days of passing of

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the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

7. The Scrutinizer's decision on the validity of e-voting will be final.

### Instructions for Voting through electronic mode

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 22nd September, 2018 (10 AM) and ends on 24<sup>th</sup> September, 2018 (5.30 PM). 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) of 20<sup>th</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence No. / Folio No. in the PAN field.</p> <p>In case the sequence No. / Folio No. is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence / Folio No. 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on "**SUBMIT**" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVS**N of "Pasupati Acrylon Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select 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.

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- (xv) After selecting the resolution you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
- (xvi) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on **"Click here to print"** option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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.

Those persons, who have acquired shares and have become Members of the Company after the despatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. 20.09.2018 shall view the Notice of the 35<sup>th</sup> AGM on the Company's website. Such members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.

- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to Mr. Rakesh Dalvi, Dy. Manager, CDSL, 16<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, e- mail : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), Phone : 18002005533.

### Route of AGM Venue

After reaching Moradabad (U.P) take Moradabad Ramnagar Highway route (NH -24). About 40 KM from Moradabad our venue of AGM is at Thakurdwara, (Kashipur Road).

By order of the Board  
**PASUPATI ACRYLON LIMITED**

**(Rakesh Mundra)**  
Company Secretary

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2018

*Registered Office*  
Thakurdwara Kashipur Road  
Distt. Moradabad  
Uttar Pradesh

## NOTICE (Contd.)



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

#### ITEM NO. 4

The Board of Directors on 29.05.2018 appointed Mr. Satya Prakash Gupta (DIN 00509809) as Additional Director pursuant to the provisions of Section 161(1) and other applicable provisions (including any modification or re-enactment thereof) if, any, of the Companies Act, 2013, and would be holding the office upto the date of this Annual General Meeting. The Company has received Notice in writing pursuant to Section 160 of the Companies Act 2013.

Mr. Satya Prakash Gupta, aged about 64 years, is a Chemical Engineer and is having industry experience of about 37 years.

Your Director consider that Mr. Satya Prakash Gupta's experience and guidance will be immense value to the Company and accordingly commended his appointment for your approval.

Appointment of Mr. Satya Prakash Gupta as Director liable to retire by rotation.

Except Mr. Satya Prakash Gupta, none other Directors of the Company is in any way concerned or interested in the proposed resolution.

#### ITEM NO. 5

Mr. Satya Prakash Gupta, has been working with the Company as Chief Executive (Works). It is proposed to appoint him as Whole time Director (Operations) for a period of three years.

The Board of Directors of the Company at its meeting held on 29<sup>th</sup> May 2018 appointed Mr. Satya Prakash Gupta (DIN: 00509809) Whole Time Director, Designated as Director (Operations) for a period of three years w.e.f. 29<sup>th</sup> May, 2018 on the terms of remuneration approved by the Remuneration Committee / Board as per details hereunder subject to approval of the shareholders.

The broad particulars of remuneration payable to and terms of the respective appointment of Mr. Satya Prakash Gupta for a period of three years w.e.f. 29<sup>th</sup> May, 2018 is as under:

#### I. Remuneration

- |                                     |   |   |
|-------------------------------------|---|---|
| 1. Salary (Basic) per month         | : | Rs. 1,50,000 – 9000 – 1,68,000  |
| 2. <u>Allowances / perquisites:</u> |   |   |
| a) House Rent Allowance             | : | Rs.20,000/- per month   |
| b) Leave Travel Allowance           | : | The yearly payment in the form of allowance shall be equivalent to one month's basic salary.  |
| c) Medical Allowance                | : | Rs.15,000/- per annum.  |
| d) Personal Accident Premium        | : | For a maximum of Rs.10,000/- per annum  |
| e) Medical Insurance Premium        | : | For a maximum of Rs. 25,000/- per annum   |
| f) Contribution                     | : | Provident Fund will be as per Rules of the Company. At present the same shall be 12% of basic salary.   |
| g) Gratuity                         | : | At a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Rules of Gratuity Act. |
| h) Encashment of leave              | : | As per rules of the Company.  |

#### Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

#### II. Overall Remuneration

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 197 and other applicable provisions of the Act read with Schedule V.

#### III. Minimum Remuneration

Notwithstanding anything to the contrary contained therein, in the event of absence or inadequacy of profits in any financial year during the term of office of Mr. Satya Prakash Gupta as Director (Operations) commencing from 29.05.2018, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Mr. Satya Prakash Gupta will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Mr. Satya Prakash Gupta is liable to retire by rotation.

The respective arrangement may be terminated by either party (company or the concerned Director (Operations)) by giving the other Three month's prior notice of termination in writing.

If at any time Director (Operations) ceases to be a Director of the Company for any cause whatsoever, he shall cease to be Director (Operations) of the company.

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None of the Directors of the Company, except Mr. Satya Prakash Gupta as Director (Operations) of the Company is concerned or interested in this resolution.

### ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Rs. 45,000/- (Rupees forty five thousand only) of the Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2019.

In accordance with the provision of Section 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

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 in the Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

By order of the Board  
**PASUPATI ACRYLON LIMITED**

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2018

**(Rakesh Mundra)**  
Company Secretary

*Registered Office*  
Thakurdwara Kashipur Road  
Distt. Moradabad  
Uttar Pradesh

### Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting [Pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 of the Listing Agreement with the Stock Exchanges]

Name of Director	Shri Vineet Jain	Mr. Satya Prakash Gupta
Date of Birth	02.07.1969	01.07.1954
Date of Appointment	01.10.1994	29.05.2018
Expertise in specific functional Areas	Shri Vineet Jain, B.B.A. (London), has been in the service of your Company since 1990. He was then elevated as Joint Managing Director in the year 1994 and Managing Director in the year 1997.	A Chemical Engineer from HBTI Kanpur has been in the service of your Company since 2013, and had held senior positions in Production and Operations of your company, prior to his appointment as Director (Operations).
Qualifications	BBA London	BSc Engineering
List of other companies in which directorship held as on 31.3.2018	1) Vigar Enterprises Limited 2) Pasupati Advanced Films Limited	1) Pasupati Advanced Films Ltd. 2) Multimax Asset Reconstruction Pvt.Ltd.
Chairman /Member of the committee of other public companies on which individual is a director as on 31.3.2018	Nil	Nil
No of shares held in the Company as on 31.3.2018	1202422	3500
Relationship between directors inter se	Nil	Nil



## DIRECTORS' REPORT



### To the Members

Your Directors have pleasure in presenting Annual Report of the Company together with the Audited Accounts for the year ended on 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS

Salient financial results during the year under review as compared to the previous year are mentioned below:-

	<u>2017-18</u>	<u>(Rs./ Crores)</u> <u>2016-17</u>
Sales (Gross) & Other Income	<b>584.18</b>	509.95
Profit before Interest & Depreciation	<b>60.07</b>	71.05
Finance Cost	<b>4.64</b>	5.73
Depreciation	<b>5.24</b>	6.86
Profit before Taxes	<b>50.19</b>	58.46
Tax Expenses for the year :—		
- Current Tax	<b>12.13</b>	19.76
- Deferred Tax Liability /(Assets)	<b>3.54</b>	(0.93)
Less: Exceptional Items	<b>6.51</b>	5.41
Profit after Taxes	<b>27.81</b>	34.10

### DIVIDEND

The Board of Directors decided to plough back the earnings to strengthen the financials of the Company, hence do not recommend dividend for the year.

### RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Company has recorded production of 37429 MT and Sale of 38811 MT during the year under review as against 38918 MT and Sale of 37515 MT respectively during the previous year. The Company posted EBIDTA of Rs. 60.07 and Net Profit of Rs.27.81 Crore as against Rs.71.05 Crore and Rs.34.10 Crore respectively in the previous year.

During the year under review overall business environment remained challenging due to raw material price volatility and dumping of imports. During the year China, Peru and Belarus dumped acrylic fibre into India, which is yet continuing, causing great injury to Indian Acrylic Fibre Industry. The Industry represented to Ministry of Commerce and Industry for imposing anti-dumping duty on imports from these countries but Ministry somehow turned down the same.

During Current Year also it is expected that imports from these countries will continue to soar, unless the Government takes pro-active measures, domestic industry would continue to suffer.

### INTEGRATED CPP FILM PROJECT

During the year under review the project was commissioned, it started commercial production w.e.f. 01.09.2017. Gradually Sales and Production is picking up, the Company's product is well accepted in the Market.

### CDR EXIT

As reported last year, recompense amount to be paid to respective banks upon approval from CDR EG/Core group, which is yet awaited. Based on discussions with Lead Bank, the Company provided Rs. 15 Crore towards recompense amount.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### ACRYLIC FIBRE

##### a) Industry Structure and Development

The Demand of Acrylic Fibre during the year remained at same level as of previous year but due to dumping of acrylic fibre by Countries listed above the production of domestic industry suffered. Company's production for the year under review reduced to 37429 MT as compared to 38918 MT in the previous year.

## DIRECTORS' REPORT (Contd.)



### b) Opportunities and Threat

The raw material to produce Acrylic Fibre is crude derived. The movement in crude affects the raw material prices, but due to demand - supply scenario during the year under review prices of raw material were on the rise, despite of the fact the crude moved in a narrow band. Since Company is dependent upon imports the fluctuation in foreign exchange i.e. USD vs. INR has a bearing on the margin of the Company.

### c) Risk and Concern

Since Company is dependent upon imported raw materials as such sudden movement in USD and volatility in crude oil affects the margin. The Company is giving thrust on increasing the exports so that effect can be mitigated.

## CPP FILM

### a) Industry Structure and Development

There is intense competition among CPP Film manufacturers in the country. The Company has installed German / English machinery which will ensure quality product. The Industry is growing at 7- 8% Per Annum.

### b) Opportunities and Threat

The raw material to produce CPP film is available locally/ imported. Since the raw material is crude derived as such fluctuation in crude may affect the raw material price.

### c) Risk and Concern

Since raw material is crude derived as such movement either side shall affect the raw material price. To mitigate the effect the Company intends to do long term contracts with suppliers.

## SEGMENTWISE / PRODUCTWISE PERFORMANCE

The Company operates in Acrylic Fibre and CPP Film manufacturing, the segment / product wise information is given.

### DIRECTORS

As per terms and conditions of appointment, Mr. Vineet Jain retire by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment

Mr. Satya Prakash Gupta, presently Chief Executive (Works), is appointed as Director (Operations) w.e.f 29.05.2018. His appointment needs to be confirmed at the forthcoming Annual General Meeting.

Mr. Rakesh Mundra, Director (Finance) retired on 31.05.2018, your directors placed on record their appreciation for the valuable services by Mr. Mundra during his tenure.

All independent Directors have declared that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 40 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with Stock Exchanges.

### INDEPENDENT DIRECTORS:

Mr. D.K. Kapila, Shri S.C. Malik, Mr. S. Sathyamoorthy and Mrs. Soma Garg, Independent directors of the Company have submitted their disclosures to the Board that they fulfill all requirements as stipulated in Section 149(6) of the Companies Act, 2013 and read with the relevant rules.

### KEY MANAGERIAL PERSONNEL

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Vineet Jain, Managing Director, Mr. Satya Prakash Gupta, Director (Operations) and Mr. Satish Kumar Bansal, Chief Financial Officer, are the Key Managerial Personnel of the Company.

### NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Nomination and Remuneration Policy is stated in the Corporate Governance Report.

### **EVALUATION OF BOARD PERFORMANCE**

The Board carried out an annual evaluation of its own performance, of each Board Member individually as well as the working of its committees.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to the information and explanations obtained by them, hereby confirm:

- a) That in the preparation of the annual accounts for the financial year ended 31st March, 2018; the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That 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 ended 31<sup>st</sup> March, 2018 and of the profit of the company for the year ended on that date;
- c) That 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) That the directors had prepared the annual accounts on a going concern basis;
- e) That 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) That 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.

### **CORPORATE GOVERNANCE**

The company has complied with the Corporate Governance code as stipulated under the listing agreement executed with the Stock Exchanges. A separate section on Corporate Governance, along-with a certificate from the auditors of the Company is annexed and forms part of this Report

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

None of the transactions with any of the related parties were in conflict with your company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No.37 of the Financial Statements forming part of this Annual Report.

All related party transactions are negotiated on arm's length basis.

### **DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE**

The Company has in place requisite Internal Committees as envisaged in the Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints on issues covered by the above act were received during the year.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed against your Company by the regulators or courts or tribunals during the Finance Year 2017-18 impacting the going concern status and your Company's operations in future.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your directors have constituted the Corporate Social Responsibility Committee (CSR Committee). The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR Activities.

During the year Company spent Rs.69.45 Lakh on CSR activities against its obligation of Rs.80.89 Lakh, the short fall on Rs.11.44 Lakh shall be made good in the Financial Year 2018-19. The amount remained unspent due to the fact that Company could not find suitable project during the year.



### RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board to overseeing and approving the Companies Risk Management framework and all the risks that the company faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management.

### AUDITORS AND AUDITORS REPORT

#### Statutory Auditors

M/s. Suresh Kumar Mittal & Co., Chartered Accountants, (Reg. No. 500063N), **Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting to be held on 2022 subject to ratification of their appointment every year. They have confirmed their eligibility to the effect that it would be within the prescribed limits under the Act and that they are not disqualified for ratification.**

The notes on financial statement referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors report does not contain any qualification, reservation or adverse remark.

#### Cost Auditor

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, your Directors, on the recommendation of the Audit committee, appointed M/s. Satnam Singh Saggi, Cost Accountants as Cost Auditors of your company for the Financial Year 2018-19 to carry out the cost audit for the applicable business on a remuneration of Rs.45,000/- (Rupees forty five thousand only) plus applicable taxes and reimbursement of out of pocket expenses. A certificate from M/s. Satnam Singh Saggi, Cost Accountants has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules made thereunder.

#### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. V.K. Sharma & Co, Practicing Company Secretaries, to undertake Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March 2018 is annexed herewith to this Report.

Mr. V.K. Sharma Practicing Company Secretary is appointed as Secretarial Auditors of the Company for the financial year 2018-19 pursuant Section 204 of the Companies Act, 2013

#### Internal Auditor

Pursuant to provisions of Section 138 of the Companies Act, 2013 M/s. Jinender Jain & Company, Internal Auditors have conducted internal audit of the functions and activities of the Company and maintained Internal Control Systems of the Company during Financial Year 2017-18.

### DISCLOSURES:

#### Audit Committee

Company has an Audit Committee of the Board of Directors in place. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 Detailed information pertaining to Audit Committee has been provided in the Corporate Governance Report, which forms part of this Annual Report. All recommendations made by the Audit Committee were accepted by the Board.

#### Vigil Mechanism

The Company has established a Vigil Mechanism policy in accordance with the provisions of the Companies Act, 2013 read with Rules there under and the Listing Agreement with the stock exchanges to deal with the instances of fraud and mismanagement. The details of the vigil mechanism are posted on the website of the Company.

## DIRECTORS' REPORT (Contd.)



### Meetings of the Board

During the year four meetings of the Board of Directors were held. The maximum interval between any two Board Meeting did not exceed 120 (One hundred twenty) days.

### Particulars of Loans, Investments & Guarantees.

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or guarantee or security is proposed to be utilized by the Company is provided in financial statement.

### Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo.

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo as required to be disclosed under the Act, are annexed hereto and form part of this Report.

### Extract of Annual Return

A separate report on the details of the Extract of Annual Return in form MGT-9 is annexed herewith, which form part of the Director's Report.

### Particulars of Employees and related disclosures.

Provisions of Section 197 (12) of the Act read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not attracted as none of the employees drawing excess remuneration of the limits set out in the said Rules.

### ISO CERTIFICATION

Your Company is an ISO 9001:2000, accredited by Bureau of Indian Standard, Rooid Voor Accreditatie, and Netherland. This certification indicates our commitments in meeting global quality and standards.

### FIXED DEPOSITS

The company does not accept fixed deposits.

### INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Management of the Company has been focused on building a process driven organization with sound checks and controls. The adequacy of the checks and balances is continuously evaluated through self audits, well defined MIS and internal audits. The business process and operational SOPs are updated on regular basis to incorporate the internal learnings and best practices of other organisations. Senior management remains actively engaged in reviewing and strengthening Internal Control Systems. The internal Audit observations are carefully studied and implementation of the remedial action continuously monitored. Both the observations of internal audit and remedial action plan are presented and discussed in detail in the Audit Committee of the Board of Directors.

### Internal Financial Control:

The Company has in place robust internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation of the continued support and co-operation received from Financial Institutions, Banks and Shareholders, the State and Central Government.

Your Directors also wish to place on record their appreciation of the devoted services of the Company's employees, who have diligently contributed to the Company's progress.

for and on behalf of the Board

**Rakesh Mundra**  
Director (Finance) & Company Secretary  
DIN : 00005550

**Vineet Jain**  
Managing Director  
DIN : 00107149

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2018

## DIRECTORS' REPORT (Contd.)

**INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013  
READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018.**

### A. CONSERVATION OF ENERGY

1. Energy conservation measures taken during the period under report are as under:

- i) Installation of VFD at various places, thereby reducing power consumption.
- ii) Installation of LED Lights wherever new lights are required.

2. Additional investments and proposals

The company is continuously exploring various avenues to reduce and optimize energy cost.

3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production.

On account of above measures there would be savings.

### B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

1. Efforts, if brief, made towards technology absorption, adaptation and innovation : None
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. : N.A.
3. Particulars of imported technology in the last five years:
  - (i) Technology imported : NA
  - (ii) Year of Import : NA
  - (iii) Has technology been fully absorbed : NA
  - (iv) If not fully absorbed, reason for & future action plan : NA
4. Expenditure on R&D:

(Rs. in Lakh)

S. No.	Particulars	2017-2018	2016-2017
i)	Capital	-	-
ii)	Recurring	36.80	26.76
iii)	Total	36.80	26.76
iv)	Total R&D expenditure as a percentage of total turnover	0.06%	0.06%

### C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.

The Company is continuously exploring new markets and increasing exports. During the year Company's exports were 9300 MT i.e. 24% of total quantity sold as against 14187 MT i.e. 38% of total quantity sold in previous year.

## DIRECTORS' REPORT (Contd.)



### 2. Total Foreign Exchange Used & Earned

(Rs.in Lakh)

Foreign Exchange Utilized		2017-2018	2016-2017
i)	Travelling	49.10	52.03
ii)	Interest & other charges	82.77	68.16
iii)	Commission on export sales	27.02	103.57
iv)	CIF Value of imports		
	- Raw Material	37871.01	28090.32
	- Stores and Spares	40.87	13.02
<b>Foreign Exchange Earned</b>			
FOB Value of Exports (excluding Rs.11372.08 Lakh, export to Iran in INR – Previous year Rs. 9591.52 Lakh)		612.89	6095.20

### AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE

TO THE MEMBERS,  
PASUPATI ACRYLON LIMITED

We have examined the compliance of conditions of Corporate Governance by Pasupati Acrylon Limited (“the Company”), for the financial year ended on 31st March 2018, as per relevant provisions of Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 (Listing Regulations)

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accounts of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that performs Audits & Reviews of Historical Financial information and other Assurance & related service engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For SURESH KUMAR MITTAL & CO.  
Chartered Accountants  
Firm Registration No: 500063N  
Sd/-

Place : New Delhi  
Dated : 29<sup>th</sup> May 2018

Ankur Bagla  
Partner  
Membership No.521915



Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31.03.2018**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**TO THE MEMBERS,  
PASUPATI ACRYLON LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PASUPATI ACRYLON LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **PASUPATI ACRYLON LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: We have examined the books, papers, minute books, forms and returns filed and other records maintained by **PASUPATI ACRYLON LIMITED** ("the Company") for the financial year ended on 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) We have relied on the representation made by the company and its officers for systems and mechanisms formed by the company for compliances under other Acts, Laws and regulations as applicable specifically to the company.

We have also examined compliance with the applicable clauses of the following:

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India, in respect of Board and General Meetings.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent they were applicable.

**We further report** that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

On inspection of the minutes as captured and recorded it was ascertained that all the decisions of the Board have been carried through and there were no dissenting views.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there was no specific event/action which has a major bearing on the affairs of the company in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

Place: Noida  
Date: 25<sup>th</sup> May 2018

for V. K. Sharma & Co.  
Company Secretaries  
Sd/-  
**(V. K. Sharma)**  
C. P. No.:2019  
**FCS:-3440**

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report



**'Annexure A'**

To,

The Members,

PASUPATI ACRYLON LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required we have obtained the Management representation about compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Noida

Date: 25<sup>th</sup> May 2018

for V. K. Sharma & Co.

Company Secretaries

Sd/-

**(V. K. Sharma)**

C. P. No.: 2019

**FCS:-3440**

**Annexure to the Board's Report**

- a) Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(Rs. in Lakh)

S. No.	Name of Director/KMP & Designation	Remuneration of Director / KMP for Financial Year 2017-18	Percentage increase in Remuneration for Financial Year 2017-18	Ratio of Remuneration of each Director / KMP to the Median Remuneration of Employees
1.	Shri Vineet Jain Managing Director	139.46	170	49.61
2.	Shri Rakesh Mundra Director (Finance) & Company Secretary	23.61	24	8.43
3.	Shri S.C. Malik (Non-executive & Independent Director)	0.57	-	-
4.	Shri D K Kapila (Non-executive & Independent Director)	0.15	-	-
5.	Smt. Soma Garg (Non-executive & Independent Director)	0.075	-	-
6.	Shri D K Sharma (Nominee Director PICUP)	-	-	-
7.	Shri S. Sathyamoorthy (Non-executive & Independent Director)	0.03	-	-



- b) The percentage increase in the Median Remuneration of Employees in the Financial Year: of about 4%, reflecting an improvement in the overall employee pyramid.
- c) The number of permanent employees on the rolls of the Company is 492.
- d) The Market Capitalisation as on 31<sup>st</sup> March 2018 was Rs. 213.05 Crore as compared to Rs.199.66 Crore as on 31<sup>st</sup> March 2017. Price Earnings Ratio of the Company is 8 as on 31.3.2018 against 5.86 as on 31.3.2017.
- e) Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was about 5%. The increase in remuneration is determined based on the performance by the employee of the Company.
- f) It is hereby affirmed that the remuneration is as per the remuneration policy of the company
- g) The key parameters of variable component of remuneration availed by the Whole-time Director and the Company's performance and performance / track record of the Whole-time Director, financial results and profitability of the Company.

**EXTRACT OF ANNUAL RETURN**

**For the Financial Year ended on 31<sup>st</sup> March 2018**

**[Pursuant to Section 93 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]**

**Form No. MGT- 9**

**I. REGISTRATION AND OTHER DETAILS**

<b>Particulars</b>	<b>Details</b>
CIN	L50102UP1982PLC015532
Registration date	22/10/1982
Name of the company	Pasupati Acrylon Ltd.
Category / Sub Category of the Company	Company having Share Capital
Address of Registered Office and Contact details.	Thakurdwara Kashipur Road, Distt. Moradabad (U.P) – 244 601 Tel. 0591 2241352-55 · Fax – 0591 2241262 Email:works@pasupatiacrylon.com
Whether listed Company Yes/No.	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any.	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase – I, New Delhi 110 020 Tel ; 011 41406149 – 52 Email : <a href="mailto:helpdeskdelhi@mcsregistrars.com">helpdeskdelhi@mcsregistrars.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

**All business activities contributing 10% or more of the total turnover of the Company shall be stated:-**

<b>Name and Description of Main Products / Service</b>	<b>NIC Code of the Product / Service</b>	<b>% to total turnover of the Company.</b>
Acrylic Filre, Tow & Tops	2030	98.5
Cast Poly Propylene (CPP) Films	22209	1.5

### III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Name & address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Share held	Applicable Section
		N A		

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	17454996	-	17454996	19.58	17454996	-	17454996	19.58	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govts.	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	36778697	-	36778697	41.26	36778697	-	36778697	41.26	-
e) Banks/ FI	4481752	-	4481752	5.03	4481752	-	4481752	5.03	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	<b>58715445</b>	<b>-</b>	<b>58715445</b>	<b>65.87</b>	<b>58715445</b>	<b>-</b>	<b>58715445</b>	<b>65.87</b>	<b>-</b>
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Banks/ FI	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>58715445</b>	<b>-</b>	<b>58715445</b>	<b>65.87</b>	<b>58715445</b>	<b>-</b>	<b>58715445</b>	<b>65.87</b>	<b>-</b>
B. Public Shareholdings									
1. Institutions									
a) Mutual Funds/UTI	97020	82485	179505	0.20	97020	82485	179505	0.20	-
b) Banks/ FI	4815	270	5085	0.01	4815	270	5085	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	36000	-	36000	0.04	0	-	0	0	- 0.04
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub total (B) (1)</b>	<b>137835</b>	<b>82755</b>	<b>220590</b>	<b>0.25</b>	<b>101835</b>	<b>82755</b>	<b>101835</b>	<b>0.21</b>	<b>- 0.04</b>
2. Non Institutions									
a) Bodies Corporate	2380556	325050	2705606	3.04	2256871	187296	2444167	2.74	- 0.30
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 Lakh	13019855	6336739	19356594	21.71	13656322	6181107	19837429	22.26	0.50

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Individual shareholders holding nominal share capital excess Rs.2 Lakh	5606922	21000	5627922	6.31	5707936	-	5707936	6.40	0.09
c) Qualified foreign Investor	-	-	-	-	-	-	-	-	-
d) NBFCs registered with RBI	1390	-	1390	-	90	-	90	-	-
e) Others (Specify)									
i) Trust & Foundations	-	-	-	-	-	-	-	-	-
ii) Non Resident Individual	739871	452967	1192838	1.34	487413	443315	930728	1.00	-0.34
iii) Cooperative Societies	90	-	90	0.001	90	-	90	0.001	-
iv) Foreign Companies	-	415080	415080	0.47	-	415080	415080	0.47	-
v) Educational Institutions	-	-	-	-	-	-	-	-	-
vi) OCBs	897566	-	897566	1.01	897566	-	897566	1.01	-
<b>Sub Total (B) (2) Total Public</b>	<b>22646250</b>	<b>7550836</b>	<b>30197086</b>	<b>33.88</b>	<b>23006288</b>	<b>7226798</b>	<b>30233086</b>	<b>33.92</b>	<b>0.04</b>
<b>Share Holding (B)= (B)(1)+(B)(2)</b>	<b>22784085</b>	<b>7633591</b>	<b>30417676</b>	<b>34.13</b>	<b>23108123</b>	<b>7309553</b>	<b>30417676</b>	<b>34.13</b>	<b>-</b>
<b>Total A + B</b>	<b>81499530</b>	<b>7633591</b>	<b>89133121</b>	<b>100</b>	<b>81823568</b>	<b>7309553</b>	<b>89133121</b>	<b>100</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B=C)</b>	<b>81499530</b>	<b>7633591</b>	<b>89133121</b>	<b>100</b>	<b>81823568</b>	<b>7309553</b>	<b>89133121</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total shares of the Company	No. of Shares Pledged	No. of Shares	% of total shares of the Company	No. of Shares pledged	
1	Manish Jain	15649232	17.56	-	15649232	17.56	-	-
2	Gurukripa Finvest Pvt. Ltd.	9000000	10.09	1000000	9000000	10.09	1000000	-
3	Sulabh Plantation & Finance Ltd.	8250000	9.25	-	8250000	9.25	-	-
4	Arihant Exports Ltd	4627867	5.19	-	4627867	5.19	-	-
5	Shubh Exim Ltd.	4500000	5.05	4500000	4500000	5.05	4500000	-
6	The Pradeshiya Industrial & Investment Corporation of UP Ltd.	4481752	5.03	-	4481752	5.03	-	-
7	Sind Wave Finance Services Ltd.	4000000	4.48	4000000	4000000	4.48	4000000	-
8	Prabhat Capital Services Ltd.	3500000	3.93	3500000	3500000	3.93	3500000	-
9	Accurex Traders Private Ltd.	1750000	1.96	-	1750000	1.96	-	-
10	Vineet Jain	1202422	1.35	1125000	1202422	1.35	1125000	-
11	Inder Overseas Pvt. Ltd.	1000000	1.12	1000000	1000000	1.12	1000000	-
12	Vinod Kumar Jain	603342	0.68	-	603342	0.68	-	-
13	MVA Finance Pvt.Ltd.	144450	0.16	-	144450	0.16	-	-
14	Nityanand Exports & Consultants Co.Ltd.	6380	0.01	-	6380	0.01	-	-
	<b>Total</b>	<b>58715445</b>	<b>65.87</b>	<b>15125000</b>	<b>58715445</b>	<b>65.87</b>	<b>15125000</b>	

(iii) **Change in Promoter's Shareholding (Please specify, if there is no change)**

	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
At the beginning of the year	58715445	65.87	58715445	65.87
Date wise increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No change			
At the end of the year	58715445	65.87	58715445	65.87

(iv) **Shareholding Pattern of top ten Shareholders (other than directors, Promoters and Holders of GDRs and ADRs)**

S.No.	Name of Shareholder	Shareholding at the beginning of the year		Increase/Decrease during the year	Cumulative shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	No of Shares	% of total shares of the Company
1	Cerex Trading U K Ltd	895856	1.01	-	895856	1.01
2	Annu Narayan	819243	0.92	27434	846677	0.95
3	Neville Jiyibhoy Mistry	560060	0.63	(560060)	0	0
4	Keshav Garg	0	0	349000	349000	0.39
5	Sahistaakhtar Sarvarhussian Nagad	400000	0.45	(100000)	300000	0.34
6	Nilamber Securities Private Limited	300893	0.34	-	300893	0.34
7	Jardine Fleming Intc Mgt Inc	263970	0.30	-	263970	0.30
8	Rajasthan Global Securities Pvt.Ltd.	262252	0.29	(262252)	0	0
9	Rajendra Kumar Gupta	200000	0.22	-	200000	0.22
10	Shashi Rani Gupta	176729	0.20	-	176729	0.20
11	Dakshinamurthi M S	132300	0.15	19893	152193	0.17
12	Foreign & Colonial Emerging Markets Ltd.	151110	0.16	-	151110	0.16

(v) **Shareholding of Directors and Key Managerial Personnel:**

	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
For Each of the Directors and KMP					
Shri Vineet Jain	1202422	1.35	No change during the year	1202422	1.35

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6.53	1.75	-	8.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	6.53	1.75	-	8.28
Change in Indebtedness during the financial year				
i) Addition	1.03	-	-	1.03
ii) Reduction	4.37	-	-	4.37
Net Change	5.40	-	-	5.40
Indebtedness at the end of the financial year				
i) Principal Amount	3.19	1.75	-	4.94
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	3.19	1.75	-	4.94

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Shri Vineet Jain, Managing Director,	Shri Rakesh Mundra Director (Finance) & Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 4175000.00	Rs. 1656286.00	Rs. 5831286.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs. 113974.00	Rs. 21879.00	Rs. 135853.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.
4.	Commission			
	- as % of profit	Rs. 6782002.00	N.A.	Rs. 6782002.00
	- others, specify	-	-	-
5.	Others, please specify	Rs. 2875000.00	Rs. 683000.00	Rs. 3558000.00
	Total (A)	Rs.13945976.00	Rs.2361165.00	Rs.16307141.00

**B. Remuneration to other directors:**

Particulars of Remuneration	Name of Directors				Total Amount (In Rs.)
	Shri S.C. Sathyamoothy	Mr. S.C. Malik	Shri D.K. Kapila	Smt. Soma Garg	
Independent Directors					
Fee for attending board / committee meetings	3000	57000	15000	7500	82500
<b>Total (1)</b>	<b>3000</b>	<b>57000</b>	<b>15000</b>	<b>7500</b>	<b>82500</b>
Non-Executive Directors				Shri D K. Sharma	
Fee for attending board / committee meetings				0	0
<b>Total (2)</b>				<b>0</b>	<b>0</b>
Total (B) = (1+2)					82500
Total Managerial Remuneration					<b>16389641</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S.No.	Particulars of Remuneration	Key Managerial Personnel
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	Stock Option	N.A.
3.	Sweat Equity	N.A.
4.	Commission as % of profit others, specify	N.A.
5.	Others, please specify	N.A.
	Total	Nil

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (giveDetails)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.



## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



### Corporate Governance

(Pursuant to Schedule V(C) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below :)

#### 1. Company's Philosophy

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. Our company has made the requisite compliance under Corporate Governance. Over the years the company has been disclosing information concerning the performance and future prospects of the company in its Director's Report. As required under Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with Stock Exchanges, following disclosures are set out towards achievements of good Corporate Governance.

#### 2. Board of Directors

The Board of Directors consists of Two promoter directors (one managing director and one promoter and non-executive nominee directors of PICUP\*), one whole time director and four non-executive independent directors including one Woman Director.

The Company did not have any material pecuniary relationships with the non-executive directors during the year under review except payment of sitting fee for attending the Board/Committee Meeting(s).

The remuneration of executive/non-executive directors is decided by the Board of Directors.

During the year, four Board Meetings were held on 29.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018.

Mr. Vineet Jain was the Chairman of Board Meetings.

The composition of Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee Memberships are given below:

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Director -ships	No. of Member of other Committees	Chairman ship of other Committee(s)	Note No.
1	Mr. Vineet Jain	Managing Director & Executive Director	4	Yes	2	-	-	A
2	Mr. D. K. Kapila	Non-executive Director	4	Yes	1	-	1	B
3	Mr. S.C. Malik	Non-executive Director	4	No	-	-	-	B
4	Ms. Soma Garg	Non-executive Director	4	No	1	-	-	B
5	Mr. S. Sathyamoorthy	Non-executive Director	2	No	2	-	-	B
6	Mr. D K Sharma (PICUP Nominee)*	Non-executive Director	0	No	-	-	-	C
7	Mr. Rakesh Mundra	Director (Finance) & Executive Director	4	Yes	1	-	-	

A. Promoter Directors.

B. Non-executive and independent Directors

C. Promoter Director pursuant to assisted sector agreement between the company and PICUP.

\* Has been nominated by PICUP on 06.02.2015 and Vacated office under section 164 (Continuously Absent from 4 board meetings) on 14.11.2017.

#### Independent Director

Independent Directors, as required under the Companies Act, 2013, are appointed for a term of upto 5 years in Annual General Meeting, and are eligible for re-appointment but cannot hold office for more than two consecutive terms (becoming eligible again after the expiry of three years from ceasing to be an Independent Directors). All other Directors retire every year and, when eligible, qualify for re-appointment. Nominees of Financial Institutions (if any) are not considered independent and do not usually retire by rotation.

The Company ensures that the Independent Directors have been properly informed about their role and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company through various presentations during the Board Meetings. The policy on familiarization programme for Independent Directors is disclosed on the Company's website.

Every director currently on the Board of the Company has personally attended at least one Board / Committee of Directors' Meeting in the financial year 2017-18.

None of the Director is a member of more than 10 Board Level Committees, or a Chairman of more than five committees i.e. Audit Committee and Stakeholders' Relationship Committees across all listed entities in which he/she is a director as required under Regulation 26 of the SEBI (Listing Obligations and disclosure Requirements) Regulations 2015.

None of the Independent Directors of the Company holds the position of the Independent Director in more than Seven (7) listed companies, including Independent Directorship in PasupatiAcrylon Ltd. and any such Director serving as a whole-time director in a listed Company is not serving as an Independent Director in more than three (3) listed Companies including PasupatiAcrylon Ltd.

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



The number of directorships and the position held in Board Committees by the Directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations as on 31<sup>st</sup> March 2018.

In terms of Schedule V(C) and Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, none of the Directors are related to each other.

None of the Non-Executive Directors holding any shares of the company.

Details of familiarization programmes imparted to independent directors is disclosed in the website of the Company (<http://www.pasupatiacrylon.com>)

Separate meeting of Independent Directors:

In accordance with the Provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held during the year on 14<sup>th</sup> November 2017 without the attendance of Non-Independent directors and members of management, inter alia to:

- Review the performance of the Non-Independent Directors and the Board as a whole;
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Review of performance of Chairperson of the Company taking into account the views of executive directors and non-executive directors.

The meeting was attended by Mr. S. C Malik, Mrs. Soma Garg, and Mr. D K Kapila Independent Directors. Mr. S. Sathyamoorthy was on leave of absence. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Managing Director for appropriate action.

### 3. Audit Committee

The Audit Committee of the Company met four times during the year i.e. on 29.05.2017, 14.08.2017, 14.11.2017 and 14.02.2018

Terms of reference of the Audit Committee are as per the guidelines set out in the listing agreements with the Stock Exchanges and also as per Section 177 of the Companies Act 2013. It inter-alia also include the overview of the Company's financial reporting processes, review of the half yearly and annual financial statements, the adequacy of internal control systems, the financial and risk management policies and vigil mechanism system.

#### Composition

The Audit Committee of the Board consists of the following Directors. The Committee met four times during the year and attendances of the members at these meetings were as follows:-

Sl.No.	Name of Director	Status	Meetings Attended
1	Mr.D.K. Kapila	Chairman & Independent Director	4
2	Mr. S.C. Malik	Independent Director	4
3	Mr. Rakesh Mundra	Executive Director	4

The Statutory Auditor (if need arise), Internal Auditors and Cost Auditors are invitees to the Audit Committee Meetings. The Company Secretary was in attendance at these meetings..

### 4. Nomination & Remuneration Committee

#### a) Terms of Reference

##### Remuneration Policy

##### 1. Objective:

To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

##### 2. Applicability:

The Policy shall be applicable to:

- Key Managerial Personnel, which means.
  - Directors (Executive and Non Executive)
  - Company Secretary.
  - Chief Financial Officer.
  - Such other person as may be prescribed.
- Senior Management, which means:-
  - Personnel of the Company who are members of its core management team excluding Board of Directors. This

would also include all members of management one level below the executive directors including all functional heads, for the purpose of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**3. Constitution Of Committee:**

- (i) The Committee shall consist of minimum 3 Non-Executive Directors and majority of them being Independent Director.
- (ii) Minimum two members shall constitute a quorum for the meeting.
- (iii) Constitution and membership of the Committee shall be disclosed in the Annual Report of the Company.

**4. Role of the Committee:**

- (i) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- (ii) Recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial and Senior Management Personnel or other employees.
- (iii) Formulation of criteria for evaluation of Independent Directors and Board.
- (iv) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- (v) Any other matter as the Board may decide from time to time.

**5. Duties of Committee:**

The duty of the Committee covers the matters relating to nomination and remuneration of the Directors, Key Managerial and Senior Management Personnel of the Company.

**(6) Nomination matters includes:**

**(A) Nomination matters includes:**

- (i) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- (ii) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment as per the provisions of Companies Act 2013;
- (iii) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- (iv) Determining the appropriate size, diversity and composition of the Board as per the provisions of Companies Act 2013.
- (v) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- (vi) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- (vii) Delegating any of its powers to one or more of its members or the Secretary of the Committee
- (viii) Recommend any necessary changes to the Board.
- (ix) Considering any other matters as may be requested by the Board

**(B) Remuneration matters includes:**

- (i) To consider and determine the Remuneration, based on the principles of (i) pay for responsibilities, (ii) pay for performance and potential and (iii) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the members.
- (ii) To take into account, financial position of the Company, trend in the Industry, appointee's qualification, experience, past performance, past remuneration, etc.
- (iii) To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- (iv) To consider other factors as the Committee shall deem appropriate for elements of the remuneration of the members of the Board and ensure compliance of provisions of Companies Act 2013 and other applicable laws.
- (v) To consider any other matters as may be requested by the Board;

The Remuneration policy will be disclosed in the Annual Report of the Company.

**6. General:-**

- a) This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors.

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



- b) All the members of the Nomination and Remuneration Committee are Non-Executive and Independent Directors. The members of the Committee are :

Sl.No.	Name of Director	Status	Meetings Attended
1	Mr.D.K. Kapila	Chairman & Independent Director	1
2	Mr. S.C. Malik	Independent Director	1
3	Mr. S. Sathyamoorthy	Independent Director	0

- c) One meetings held during the year dated 29.05.2017

### 5. Details of remuneration to Directors for the year ended on 31.03.2018

#### (i) Executive Directors

Amount in (Rs.)

Name	Salary	Commission	Perquisites	Retirement benefits
Mr.Vineet Jain, Managing Director	4175000	6782002	2988974	937500
Mr. Rakesh Mundra, Director (Finance)	1656286	-	704879	414071

Apart from above payment, no payment has been paid to Executive Directors.

The arrangements with Managing Director and Director (Finance) are contractual in nature.

#### (ii) Non-Executive Directors

Remuneration by way of sitting fee for attending various Board/ Committee Meetings, paid to the non-executive directors is as under.

Name	Sitting fee paid (Rs.)
Mr.D K Kapila	15000
Mr. S.C. Malik	57000
Mr. S. Sathymoorthy	3000
Mr. D K Sharma	0
Mrs. Soma Garg	7500
Total	82500

Apart from sitting fee no payments made to Non-Executive Directors

### 6. Stakeholders Relationship Committee

The Board has formed a Stakeholders Relationship Committee consisting of the following directors, the details of meeting attended by the directors are given herein under:-

Sl.No	Name of Director	Position	No of Meetings held	No of Meetings attended
1	Mr.S.C.Malik	Chairman	26	26
2	Mr.Vineet Jain	Member	26	16
3	Mr. Rakesh Mundra	Member	26	25

The Company Secretary was in attendance in all the Stakeholders Relationship Committee Meeting except one.

The Committee deals with matters relating to :

- Transfer/Transmission of shares;
- Issue of Duplicate Share Certificates;
- Consolidation/Split of Share Certificates;
- Review of Shares Dematerialized;
- All other matters relating to shares.

Mr. Rakesh Mundra, Director (Finance) & Company Secretary and Mr. Amarjeet Singh, Senior Manager of M/s. MCS Share Transfer Agent Ltd., Registrar & Share Transfer Agent are the Compliance Officer of the Company.

Further the Company confirms that there were no share transfers lying pending as on 31.03.2018, and all requests for dematerialization and re-materialization of shares as on that date were confirmed / rejected into the NSDL/CDSL system.

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



The Shareholder complaints received and resolved during the year from 1.04.2017 to 31.03.2018 are as under.

Sl.No.	Type of Compliant	Pending As on 01.04.2017	Total Complaints Received	Complaints Redressed	Redressal under process	Pending As on 31.03.2018
1	Letter received from SEBI	Nil	Nil	Nil	Nil	Nil
2	Letter received from Stock Exchanges	Nil	18	18	Nil	Nil
3	Letter received from DCA	Nil	Nil	Nil	Nil	Nil
4	Court/Consumer forum /Legal cases	Nil	Nil	Nil	Nil	Nil
5	Change of Address etc.	Nil	Nil	Nil	Nil	Nil
6	Issue of Duplicate Shares	Nil	Nil	Nil	Nil	Nil
7	Non receipt of Dividend	Nil	Nil	Nil	Nil	Nil
8	Share Transfers etc.	Nil	48	48	Nil	Nil

- Note: The Company has endeavored to settle all shareholder complaints in the minimum possible time. The average time of settlement may vary from 7 days to 15 days.
- An email ID exclusive for registering complaints / grievance has been formed as [palsecretarial@gmail.com](mailto:palsecretarial@gmail.com).

### 7. Risk Management Committee.

#### i) Terms of Reference

The Risk Management Committee has been constituted to identify the existing and prospective risks attached to the business of the Company; to monitor and review the Risk Management Plan of the Company; to suggest measures for mitigation of the Risks attached to the business of the Company; and to take any other action as may be directed by the Board of Directors in respect of the Risk Management. The committee shall also review and reassess the adequacy of this plan periodically and recommend proposed changes.

#### ii) Composition

Sl.No.	Name of Director	Status
1	Mr. S. C. Malik	Chairman & Independent Director
2	Ms. Soma Garg	Independent Director
3	Mr. Rakesh Mundra	Director (Finance)

#### iii) Meetings of Risk Management Committee

During the year no Risk Management Committee meeting was held.

### 8. Corporate Social Responsibility Committee (CSR)

#### i) Terms of reference

The Corporate Social Responsibility Committee of the Board has been constituted to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; recommend the amount of expenditure to be incurred on the activities referred above; and monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year two Corporate Social Responsibility Committee meeting was held on 29.05.2017 and 17.02.2018 attended by Mr. Vineet Jain, S.C Malik and Mr. Rakesh Mundra. Mr. S.C Malik Chaired the Meeting.

A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has formulated CSR Policy and is available at Investor page on the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com).

#### ii) Composition of the CSR Committee

Sl.No.	Name of Director	Status	
1	Mr. Vineet Jain	Managing Director	Chairman
2	Mr. S.C. Malik	Independent Director	Member
3	Mr. Rakesh Mundra	Director (Finance)	Member

#### iii) Average net profit of the Company for the last three financial years.

Average net profit -Rs. 4044.62 Lakh

iv) **Prescribed CSR Expenditure ( two percent of average net profits):**

Company is required to spend Rs. 80.89 Lakh towards CSR.

v) **Details of CSR spent during the financial year:**

a) Total amount spent for the Financial Year – Rs. 69.45 Lakh

b) Manner in which the amount spent during the financial year is detailed below:

S.No.	Particulars	Amount (Rs./Lakh)
1	Contribution on Health Care	50.43
2	Developing Infrastructure facility & distribution of nutrition food in Rural areas	15.02
3	Routine health checkups and food for animals	3.00
4	Environmental sustainability tree plantation etc.	1.00
	<b>Total</b>	<b>69.45</b>

c) **Amount unspent:** The Company shall make good shortfall in CSR spent of Rs.11.44 Lakh during the Financial Year 2018-19.

## 9. General Body Meetings

The last three Annual General Meetings were held as under:-

Financial year	Date	Time	Venue
31.03.2015	30.09.2015	10.00 AM	Pasupati Acrylon Ltd., Vill. Thakurdwara, Kashipur Road, Moradabad (UP)
31.03.2016	30.09.2016	10.00 AM	
31.03.2017	27.09.2017	10.00 AM	

Mr. D.K. Kapila, Chairman of the Audit Committee had also attended the Annual General Meeting held on 27.09.2017.

In the last three Annual General Meeting, No special resolutions were passed in the Annual General Meeting.

## 10. Means of Communication

- Quarterly/ yearly results are being published in daily newspapers viz. Business Standard / Pioneer English and Hindi Edition. The Annual Report is posted / mailed to every shareholder of the Company.
- Management's Discussions and Analysis Report forms part of Directors' Report on the Annual Accounts more specifically under Operations, Current Year Outlook, Internal Control System and adequacy, Human Resources and Industrial Relations.
- The Company's website at [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) is regularly updated with financial results.
- Requisite information, statements and reports are being filed under [www.corpfilings.co.in](http://www.corpfilings.co.in) also as per SEBI directions.

## 11. General Shareholder Information

- Notes on Directors seeking re-appointment as required under Regulation 40(9) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Mr. Vineet Jain will retire at the ensuing Annual General Meeting by rotation and has offered himself for re-appointment. The Board has recommended the re-appointment of the retiring Director.

The information about the brief resume and other information required to be disclosed under this section are provided in the notice of the Annual General Meeting.

- Annual General Meeting will be held on Thursday 27<sup>th</sup> Day of September 2018, at Registered office of the Company i.e. Thakurdwara, Kashipur Road, Distt. Moradabad (UP) at 10 AM.
- The Company has furnished information as required by Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement of the Stock Exchanges, relating to appointment/re-appointment of Director(s). Shareholders may kindly refer to the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company. The number of companies in which the person also holds directorship and the membership of Committees of the board are given separately.

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



### 4. Financial Calendar for the period 2018-19 (Provisional)

First Quarter Results (30.06.2018)	By 14 <sup>th</sup> August 2018
Second Quarter Results (30.09.2018)	By 14 <sup>th</sup> November 2018
Third Quarter Results (31.12.2018)	By 14 <sup>th</sup> February 2019
Fourth Quarter Results (31.03.2019)	By 30 <sup>th</sup> May 2019
Mailing of Annual Report	By August, 2019
Annual General Meeting	By September, 2019

5. No dividend has been declared by the Company for Financial Year 2017-18.
6. Outstanding GDR's / ADR's / warrant / convertible instruments and their impact on equity: NIL.

### 12. Other Disclosures

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on arm's length basis and do not attract Provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year that may have potential conflict with the interest of the Company at large.

- a) Details of related party transactions during the year have been set out under Note No.37 of Annual Accounts. However, these are not having any potential conflict with the interests of the company at large.
- b) There were no instances of non-compliance or penalty, strictures imposed on the company by Stock Exchanges/SEBI or any other statutory authorities on any matter related to capital markets, during the last three years.
- c) Presently the company is having a Whistle Mechanism Policy. No personnel of the Company have been denied access to the Audit Committee
- d) PAL has implemented a Code of conduct based on its business principles along with implementation framework for its Directors and Senior Management of the Company. In compliance with the code, Directors and Senior Management of the Company have affirmed compliance with the Code for the year ended on 31<sup>st</sup> March 2018. A declaration to this effect signed by the Managing Director form part of this Annual Report.
- e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

All the mandatory requirements as specified sub para (2) to (10) of Schedule V ( C) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 have been complied with. Details required under Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 are displayed on the website of the Company at [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) to the extent applicable.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted to the extent possible.

#### f) Commodity Risk

There are several raw materials which are directly driven by crude oil. These are monitored on regular basis using pricing trends and forecast from internationally reputed news agencies. Appropriate coverage is taken on rising trends and inventory is cut in declining trends. Accordingly, appropriate actions are taken to minimize commodity risks.

#### g) Foreign Exchange Risk

To control and mitigate exchange risk, the company has an agreement with Green Back Forex, according to which currency forecast is received from them and also from various banks and consultants on regular basis. Additionally regular meetings are also done with banks and important announcements such as unemployment data, non-farm payroll, RBI announcements etc. are watched carefully. Company is exporting its product to the tune of approximately 24% which provides natural hedge, in addition the company hedges the currency as suggested by consultants.

### 13. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company shall remain close from Thursday the 20<sup>th</sup> September 2018 to Thursday the 27<sup>th</sup> of September 2018 (both days inclusive).

### 14. Stock Code

The Company's scrip codes at various Stock Exchanges are as under:-

Bombay Stock Exchange	500456
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## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18

Demat – ISIN Number for NSDL & CDSL : IN 818B01023

The Securities of the Company have never been suspended from trading.

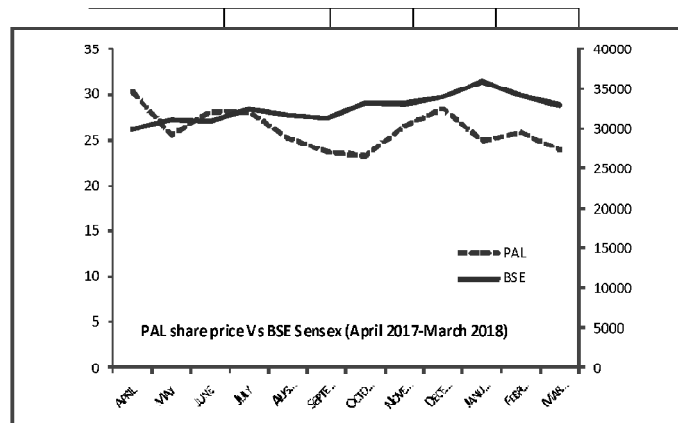
### 15. Listing of Equity Shares on Stock Exchanges, etc.

The Company's shares are presently listed on the Stock Exchange at Mumbai. The listing fees for the year 2017-18 have been paid to the Bombay Stock Exchange, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 420 023.

### 16. Stock Market Price Data for the period 1.04.2017 to 31.03.2018.

#### Share Price on BSE

Month	B S E		B S E SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2017	32.85	22.25	30184	29241
May, 2017	31.90	22.25	31255	29804
June, 2017	30.90	25.05	31523	30681
July, 2017	31.80	25.00	32673	31017
August, 2017	30.00	22.05	32686	31128
September, 2017	26.25	23.00	32524	31082
October, 2017	24.90	22.50	33340	31440
November, 2017	28.00	22.50	33866	32684
December, 2017	29.95	23.80	34138	32565
January, 2018	32.00	24.60	36444	33703
February, 2018	32.40	23.50	36257	33483
March, 2018	27.50	23.50	34279	32484



### 17. Share Transfer Agent

The Company is availing services of M/s. M.C.S Share Transfer Agent Limited F-65, Okhla Industrial Area Phase-I, New Delhi-110020, a SEBI registered Registrar, as Registrar and Share Transfer Agents for processing the transfers, sub-division, consolidation, splitting of securities etc. Since trades in Company's shares can now only be done in the dematerialized form, request for demat and remat should be sent directly to M/s.MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area Phase-I, New Delhi-110020. Shareholders have the option to open their accounts with either NSDL or CDSL as the Company has entered into Agreements with both these Depositories.

### 18. Share Transfer System

As already stated, the Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Therefore, Investors/ Shareholders are requested to kindly note that physical documents, viz Demat Request Forms (DRF) and Share Certificates etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents. Any delay on the part of the DP's to send the DRF and the Share Certificates beyond 21 days from the date of generation of the DRF by the DP will be rejected/ cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 21 days. Investors/ Shareholders should, therefore, ensure that their DP's do not delay in sending the DRF and Share Certificates to Share Transfer Agent after generating the DRF.



## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18



### 19. Distribution of Shareholding as on 31<sup>st</sup> March 2018

No. of Shares	No. of Shareholders	%	No. of Shares	%
1-500	50677	87.36	7286011	8.17
501-1000	4007	6.91	3196529	3.59
1001-2000	1662	2.87	2597667	2.91
2001-3000	489	0.84	1276418	1.43
3001-4000	242	0.42	885301	0.99
4001-5000	289	0.50	1381477	1.55
5001-10000	342	0.59	2600358	2.92
10001 -50000	249	0.43	5258599	5.90
50001- 100000	20	0.034	1450059	1.63
100000 and above	30	0.052	63200702	70.91
<b>Total</b>	<b>58007</b>	<b>100</b>	<b>89133121</b>	<b>100</b>

### 20. Dematerialization of Shares

As on March 31, 2018, 91.80% of the Company's total shares representing 81823568 shares were held in dematerialized form and the balance 8.20% representing 7309553 shares were in paper form.

### 21. CEO / CFO Certification

CEO and CFO have given a certificate to the Board as contemplated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### 22. Registered Office and Works

Thakurdwara, Kashipur Road, Distt. Moradabad (UP) (It is 40 KM before on the way to Corbett Park)

### 23. Address of correspondence and corporate office

Company's corporate office is situated at

**M-14, Connaught Circus (Middle Circle), New Delhi-110 001**

Shareholders correspondence should be addressed to :

Pasupati Acrylon Ltd. Registered Office Thakurdwara, Kashipur Road Distt. Moradabad (UP) Phone: 0591 2241263, 2241352-55 Fax : 0591 2241262 Email : works@pasupatiacrylon.com	Pasupati Acrylon Ltd Corporate Office M-14, Connaught Circus (Middle Circle) New Delhi-110 001 Phone: 47627400 Fax : 47627497 Email : delhi@pasupatiacrylon.com	MCS Limited F-65, Okhla Industrial Area Phase-I, New Delhi-110020 Phone: 41406149-52 Fax : 41709881 Email: helpdeskdelhi@mcsregistrars.com
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### 24. Auditors Certificate on Corporate Governance

As per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Auditors Certificate is given as an annexure to the Directors' Report.

For and on behalf of the Board

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2018

**Vineet Jain**  
Managing Director

### DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the period ended March 31, 2018, as envisaged in Schedule V (D) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with stock exchanges.

Vineet Jain  
Managing Director

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2018

## INDEPENDENT AUDITORS' REPORT



### TO THE MEMBERS OF PASUPATI ACRYLON LIMITED

#### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Pasupati Acrylon Limited (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the period then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Ind AS financial statements”).

#### Management’s Responsibility for the Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the period ended on that date.

#### Report on Other Legal and Regulatory Requirements.

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating

## INDEPENDENT AUDITORS' REPORT (Contd.)



- effectiveness of such controls, refer to our separate Report in “Annexure A”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 24 to the financial statements;
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;
  - There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure ‘B’ a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Suresh Kumar Mittal & Co.**  
Chartered Accountants  
Firm Registration No. 500063N  
Sd/-

**Ankur Bagla**  
Partner

Membership No. : 521915

Place : New Delhi  
Date : 29<sup>th</sup> May, 2018

### **Annexure “A” referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of Independent Auditor’s Report of even date on the Ind AS Financial Statements of Pasupati Acrylon Limited.**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Pasupati Acrylon Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

**For Suresh Kumar Mittal & Co.**

Chartered Accountants

Firm Registration No. 500063N

Sd/-

**Ankur Bagla**

Partner

Membership No. : 521915

Place : New Delhi

Date : 29<sup>th</sup> May, 2018

#### **Annexure "B" referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditor's Report of even date on the Ind AS Financial Statements of Pasupati Acrylon Limited.**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) Physical verification of inventory (except material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us no loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013 has been given by the company.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.
- (vii) (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, goods and service tax, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the records of the company, dues of income-tax or Sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute are as under:

S. No.	Name of the Statute	Nature of dues	Period to which amount relates	Amount Rs.in lacs	Forum where dispute is pending
1	Commercial Tax Department	Demand against Provisional Assessment	April 16 to June 16	17.35	Add. Commissioner (Appeal)
		Entry Tax	2003-2012	85.96	Allahabad High Court
2	Central Excise, Service Tax & Customs Act (Service Tax)	Utilisation of for CENVAT Credit payment of Service Tax	April 07 to Feb 08	11.39	Allahabad High Court
3	Income Tax	Demand against regular assessment	A/Y 2015-16	85.92	CIT (A)

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) In our opinion, moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
- (xiii) In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934

**For Suresh Kumar Mittal & Co.**  
Chartered Accountants  
Firm Registration No. 500063N

**Ankur Bagla**  
Partner

Membership No. : 521915

Place : New Delhi  
Date : 29<sup>th</sup> May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018



Particulars	Note No.	As at 31.03.2018 (Rs./Lakh)	As at 31.03.2017 (Rs./Lakh)	As at 31.03.2016 (Rs./Lakh)
<b>ASSETS</b>				
<b>I NON CURRENT ASSETS</b>				
1 Property, Plant and Equipments	4	6,122.34	3,077.11	5,385.95
2 Capital Work in Progress	4	310.61	3,227.94	-
3 Other Financial Assets	5	1,750.26	281.92	1,492.60
4 Deferred Tax Assets (Net)	6	48.87	392.63	293.22
<b>II CURRENT ASSETS</b>				
1 Inventories	7	11,691.54	10,069.58	8,879.12
2 Financial Assets				
- Current Investment	8	4,096.54	3,333.42	1,773.45
- Trade receivables	9	4,691.68	3,218.85	3,909.38
- Cash and cash equivalents	10	2,751.96	789.38	323.51
- Other Current Financial Assets	11	396.37	1,462.22	527.88
3 Current Tax Assets (Net)	12	416.94	656.41	1,458.43
4 Other Current Assets	13	809.04	982.87	695.25
		<b>33,086.15</b>	<b>27,492.33</b>	<b>24,738.79</b>
<b>EQUITY AND LIABILITIES</b>				
<b>I Equity</b>				
1 Equity Share Capital	14	8,914.10	8,914.10	8,914.10
2 Other Equity		6,041.94	3,261.50	1,760.74
<b>II NON-CURRENT LIABILITIES</b>				
1 Financial Liabilities				
- Borrowings	15	70.88	214.72	638.67
2 Provisions	16	296.76	224.88	218.82
3 Deferred Tax Liabilities (net)		-	-	-
4 Other Non Current Liabilities	17	164.75	39.09	27.41
<b>III CURRENT LIABILITIES</b>				
1 Financial liabilities				
- Borrowings	18	362.46	2,381.28	2,484.32
- Trade Payables	19	14,111.98	9,048.77	7,846.72
- Other Financial Liabilities	20	247.87	432.60	430.56
2 Other current liabilities	21	2,305.74	2,257.23	1,194.42
3 Provisions	22	329.62	258.18	231.56
4 Current Tax Liabilities (Net)	23	240.05	459.98	991.47
		<b>33,086.15</b>	<b>27,492.33</b>	<b>24,738.79</b>

Significant Accounting Policies 2

See Accompanying Notes to the Financial Statements

As per our report of even date annexed

For Suresh Kumar Mittal & Co.,  
Chartered Accountants  
Registration No. 500063N

Rakesh Mundra  
Director (Finance) & Company Secretary  
DIN : 00005550

Vineet Jain  
Managing Director  
DIN : 00107149

Ankur Bagla  
Partner  
Membership No. 521915

S.C.Malik  
Director  
DIN : 00107170

Deveshwar Kumar Kapila  
Director  
DIN : 00030614

Place : New Delhi  
Dated : 29th May, 2018

S. Sathyamoorthy  
Director  
DIN : 00459731

Soma Garg  
Director  
DIN : 01344773

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018



Particulars	Note No.	For the Year ended	For the Year ended
		31.03.2018 (Rs./Lakh)	31.03.2017 (Rs./Lakh)
<b>I REVENUE</b>			
Revenue from Operations	26	57,949.01	50,203.48
Other Income	27	469.26	791.78
<b>TOTAL REVENUE</b>		<b>58,418.27</b>	<b>50,995.26</b>
<b>II EXPENSES</b>			
Cost of Material Consumed	28	41,772.49	31,599.41
Purchase Of Stock In Trade	28	21.89	19.48
Changes in Inventory of Finished Goods and Work in Progress	29	224.71	(1,587.38)
Employee Benefits Expense	30	2,217.63	1,937.70
Finance Costs	31	464.32	573.42
Depreciation & Amortization Expenses	32	524.34	686.23
Other Expenses	33	8,173.45	11,919.57
<b>TOTAL EXPENSES</b>		<b>53,398.83</b>	<b>45,148.43</b>
<b>III Profit before exceptional items and tax</b>		<b>5,019.44</b>	<b>5,846.83</b>
<b>IV Exceptional items</b>	34	<b>651.14</b>	<b>541.10</b>
<b>V Profit before tax (III-IV)</b>		<b>4368.30</b>	<b>5305.73</b>
<b>VI TAX EXPENSE</b>			
Current Tax		1213.29	1976.30
Deferred Tax		354.42	(92.88)
<b>VII PROFIT AFTER TAX</b>		<b>2,800.59</b>	<b>3,422.31</b>
<b>VIII OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit & loss		(30.82)	(18.84)
Income tax relating to above		10.67	6.52
Other Comprehensive Income for the year (Net of Tax)		(20.15)	(12.32)
<b>IX TOTAL COMPREHENSIVE INCOME</b>		<b>2,780.45</b>	<b>3,409.99</b>
<b>X EARNING PER SHARE</b>			
Basic and diluted	35	3.14	3.84

**Significant Accounting Policies**

2

See Accompanying Notes to the Financial Statements

As per our report of even date annexed

**For Suresh Kumar Mittal & Co.,**  
Chartered Accountants  
Registration No. 500063N

**Ankur Bagla**  
Partner  
Membership No. 521915

**Rakesh Mundra**  
Director (Finance) & Company Secretary  
DIN : 00005550

**S.C.Malik**  
Director  
DIN : 00107170

**S. Sathyamoorthy**  
Director  
DIN : 00459731

**Vineet Jain**  
Managing Director  
DIN : 00107149

**Deveshwar Kumar Kapila**  
Director  
DIN : 00030614

**Soma Garg**  
Director  
DIN : 01344773

Place : New Delhi  
Dated : 29th May, 2018

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018



Particulars	For the Year ended 31.03.2018 (Rs./Lakh)	For the Year ended 31.03.2017 (Rs./Lakh)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before exceptional items and tax	5,019.44	5,846.83
Adjustments for:-		
Depreciation and amortisation	524.34	686.23
Finance Cost	464.32	573.42
Interest Income	(126.80)	(111.10)
Profit on sale of assets	(13.37)	(0.29)
Other Comprehensive Income	(30.82)	(18.84)
<b>Operating profit before working capital changes</b>	<b>5,837.11</b>	<b>6,976.25</b>
<b>Change in Working Capital</b>		
<b>Adjustment for (increase)/decrease in Operating assets</b>		
Non Current other Financial Assets	(559.37)	159.83
Inventories	(1,621.96)	(1,190.46)
Trade receivables	(1,472.83)	690.52
Other Current Financial Assets	1,065.86	(934.35)
Other Current Assets	173.83	(287.62)
<b>Adjustment for (increase )/decrease in Operating Liabilities</b>		
Non Current Provisions	71.88	6.06
Other Non Current Liabilities	125.67	11.68
Trade payable	5,016.07	(138.28)
Other Current Financial Liabilities	(184.73)	2.04
Other Current Liabilities	(602.64)	521.71
Current Provisions	71.45	26.62
Net income tax(paid)/refunds received	(1,193.76)	(1,705.74)
<b>Net Cash flow from /(used in) Operating Activities(A)</b>	<b>6,726.58</b>	<b>4,138.25</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(1,561.22)	(2,463.72)
Proceeds from Sale of assets	13.39	0.29
Interest Income	126.80	111.10
Purchase of current investments	(763.12)	(1,559.97)
<b>Net Cash flow from/(used in) Investing Activities( B)</b>	<b>(2,184.15)</b>	<b>(3,912.30)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost	(464.32)	(573.42)
Repayment of long term borrowings (including Ind AS adjustments)	(143.84)	(423.95)
Repayment of unsecured loans	-	(350.00)
Increase (Decrease) in short term borrowings	(1,971.69)	1,587.29
<b>Net Cash Flow from /(used in) Financing Activities ( C)</b>	<b>(2,579.85)</b>	<b>239.92</b>
<b>Net Increase /(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,962.58</b>	<b>465.87</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>789.38</b>	<b>323.51</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,751.96</b>	<b>789.38</b>

Notes: i) Figures in bracket represent cash outflow.  
ii) Cash flow does not include non cash items.

As per our report of even date annexed

**For Suresh Kumar Mittal & Co.,**  
Chartered Accountants  
Registration No. 500063N

**Ankur Bagla**  
Partner  
Membership No. 521915

Place : New Delhi  
Dated : 29th May, 2018

**Rakesh Mundra**  
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Director  
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**Soma Garg**  
Director  
DIN : 01344773



## STATEMENT OF CHANGES IN EQUITY



### A EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount (Rs. Lakh)
Balance as on 01.04.2016	89133121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
<b>Balance as on 31.03.2017</b>	<b>89133121</b>	<b>8,914.10</b>
Balance as on 01.04.2017	89133121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
<b>Balance as on 31.03.2018</b>	<b>89133121</b>	<b>8,914.10</b>

### B OTHER EQUITY

Particulars	Retained Earnings	Capital Reserve	Revaluation Reserve	Other Comprehensive Income	Total Other Equity
Balance as on 01.04.2016	(1,601.27)	1,452.78	1,909.23	-	1,760.74
Addition during the period	-	-	-	-	-
Deletion during the period (refer note 4(d))	-	-	(1,909.23)	-	(1,909.23)
Profit (Loss) for the period	3,422.31	-	-	-	3,422.31
Other comprehensive income	-	-	-	(12.32)	(12.32)
<b>Balance as on 31.03.2017</b>	<b>1,821.04</b>	<b>1,452.78</b>		<b>(12.32)</b>	<b>3,261.50</b>
Balance as on 01.04.2017	1,821.04	1,452.78	-	(12.32)	3,261.50
Addition during the period	-	-	-	-	-
Profit(Loss) for the period	2,800.59	-	-	-	2,800.59
Other comprehensive income	-	-	-	(20.15)	(20.15)
<b>Balance as on 31.03.2018</b>	<b>4,621.63</b>	<b>1,452.78</b>		<b>(32.47)</b>	<b>6,041.94</b>

Significant Accounting Policies 2

See Accompanying Notes to the Financial Statements

As per our report of even date annexed

**For Suresh Kumar Mittal & Co.,**  
Chartered Accountants  
Registration No. 500063N

**Ankur Bagla**  
Partner  
Membership No. 521915

Place : New Delhi  
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**Rakesh Mundra**  
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Director  
DIN : 00030614

**Soma Garg**  
Director  
DIN : 01344773

## NOTES TO FINANCIAL STATEMENTS

### 1 Company Overview

Pasupati Acrylon Limited is a public limited company domiciled in India incorporated under the provisions of the Indian Companies Act. The registered office is located at Thakurdwara, Distt. Moradabad (U.P.), India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is one of the leading manufacturers of Acrylic Fibre, Tow and Tops and was established in 1982, the manufacturing facility is located at Thakurdwara, Distt. Moradabad, (UP). The company has also during the year established plant to manufacture Cast Polypropylene Film (CPP Film) at Thakurdwara Distt. Moradabad (U.P.)

### 2 Significant Accounting Policies

#### 2.1 Basis of Preparation of Financial statements

Compliance with Ind AS

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31 March 2017, the Company prepared its Financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Financial Statements of the Company. The date of transition to Ind AS is 01 April, 2016.

#### Basis of preparation and presentation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2018, and accounting policies and other explanatory information (together hereinafter referred to as "Financial statements").

The Financial Statements have been prepared on the historical cost basis except for certain Financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

#### Reporting Presentation Currency

All amounts in the Financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primary functional currency of the company) and rounded off to the nearest Lakh with two decimals, unless otherwise stated.

#### 2.2 Classification of Current and Non-current Assets and Liabilities

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle

- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **2.3 Revenue Recognition**

Revenue is recognized based on the nature of activity when consideration can be reasonable measured and there exists reasonable certainty of its recovery.

- (i) Revenue from the sale of goods is recognised, when all significant risks and rewards are transferred to the buyer, usually on delivery of the goods as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable net of returns and allowance.
- (ii) Interest income from deposits and others is recognized on accrual basis. Dividend income is recognized when the right to receive the dividend is unconditionally established. Profit/loss on sale/redemption of investments is recognized on the date of transaction of sale/redemption and is computed with reference to the original cost of the investment sold.
- (iii) Insurance claims are recognized in the books only after certainty of its realization.
- (iv) Revenue are stated exclusive of sales tax, value added tax, goods and service tax and net of trade and quantity discount.

Revenue is inclusive of excise duty.

### **2.4 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### **2.5 Foreign currency transactions and translation**

- I) Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction.
- II) In respect of monetary assets and liabilities denominated in foreign currencies, exchange differences arising out of settlement are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the exchange rate on that date, the resultant exchange differences are recognised in the Statement of Profit and Loss.
- III) Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

### **2.6 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### **2.7 Employee Benefits**

#### **(i) Short Term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits.

Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

**(ii) Post-Employment Benefits**

**(a) Defined Contribution Plans**

- i) Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit & loss account during the period during which the employee renders the related service.
- ii) The company has set up separate provident fund and superannuation trusts in respect of certain categories of employees. For other employees, provident fund is accrued on monthly basis in accordance with the terms of contract with the employees and is deposited with the “Statutory Provident Fund”. Liability on account of retirement gratuity to the employees is being provided in accordance with the company’s Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation of India. The contributions to the Trusts are charged to the Profit & Loss Account.
- iii) The company extends benefits of leave to the employees while in service as well as on retirement. Provision for leave encashment benefit is being made on the basis of actuarial valuation.
- iv) Keyman insurance policy taken by the company on the life of its Keyman is valued at surrender value.

**(b) Defined Benefit Plans**

The present value of obligation under defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

- (c) Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

**2.8 Taxation**

Income tax expense represents the sum of the Current tax and Deferred tax.

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 .

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax asset against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.9 Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Expenditure related to and incurred during implementation of capital projects is included under “Capital Work in Progress”. The same is allocated on a systematic basis to the respective fixed assets on completion of construction of fixed assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Fixed assets acquired under hire purchase schemes are capitalized at their principal value and hire charges are expensed. Fixed assets taken on lease are not treated as assets of the company and lease rentals are charged off as revenue expenses.

Spares received along with the plant or equipment and those purchased subsequently for specific machines and having irregular use are being capitalized.

## 2.10 Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives prescribed in Schedule II to the Companies Act, 2013 except for Plant & Machinery (other than CPP plant) where useful life has been considered as 18 years instead of 25 years on technical evaluation.

Depreciation has been calculated on fixed assets on straight line method except for building, vehicle, new line and power plant where depreciation is calculated on written down value method in accordance with schedule II of the Companies Act, 2013.

The Company used to provide depreciation upto 95% of assets value. From 01.10.2009 the Company is providing depreciation keeping the residual value to Re.1 instead of 5% except CPP plant

Depreciation on Assets acquired /capitalised/ disposed off during the year is provided on pro-rata basis with reference to the date of addition/capitalization/ disposal. Lease hold land is amortized over the period of lease.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

## 2.11 Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

## **2.12 Inventories**

Inventories (including licences in hand) are valued at lower of cost or net realisable value. Cost is determined using the First in First out (FIFO) formula. Finished goods and stock in process include cost of conversion and other costs incurred in bringing the inventories to their present location and conditions. Cost of machinery spares which can be used only in connection with plant & machinery and whose use is expected to be irregular are amortized proportionately over a period of residual useful life of machinery as technically evaluated. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

## **2.13 Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions in the nature of long term are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

## **2.14 Borrowings**

Borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

## **2.15 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

## **2.16 Earnings Per Share**

Earnings per share is calculated by dividing the Profit after tax by the weighted average number of equity shares outstanding during the year.

## **2.17 Contingent Liability and Contingent Assets**

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the Financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statements but disclosed, where an inflow of economic benefit is probable.

## **2.18 Trade Receivables**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expected to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

## 2.19 Financial Instruments

### (i) Financial Assets

#### Initial Recognition and Measurement

All Financial assets are recognized initially at fair value plus, in the case of Financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial asset.

Financial assets are classified, at initial recognition, as Financial assets measured at fair value or as Financial assets measured at amortized cost.

#### Subsequent Measurement

For purpose of subsequent measurement of Financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss , or recognized in other comprehensive income.

A Financial asset that meets the following two conditions is measured at amortized cost.

- Business Model Test: The objective of the company's business model is to hold the Financial asset to collect the contractual cash flows.
- Cash Flow characteristics test: The contractual terms of the Financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A Financial asset that meets the following two conditions is measured at fair value through OCI:

- Business Model Test: The Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial assets.
- Cash flow characteristics test: The contractual terms of the Financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other Financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

### (ii) Financial Liabilities

All Financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A Financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognised in statement of profit and loss. Other Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

## 2.20 First time adoption – optional exemptions

### Overall principle

The Company has prepared the opening Balance Sheet on 1 April,2016 (the transition date) as per Ind AS detailed below :

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

Since, these Financial statements are the first Ind AS Financial statements, above principles are subject to, certain first time adoption–optional exemptions availed by the Company as detailed below.

- a) The Company has elected to continue with the carrying value of all of its property, plant and equipment including capital work in progress recognised as of 1 April, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.
- b) The company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to the transactions entered into on or after 01.04.2016
- c) The estimates at 01.04.2016 and 31.03.2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustment to reflect any differences in accounting policies) apart from the following items under Indian GAAP did not require estimation:
  - Impairment of Financial assets based on expected credit loss model
  - The estimates used by the company to present these amount in accordance with IND AS reflect conditions as at the transition date and as of 31.03.2017

### 3 Use of Estimates

The preparation of Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial statements is included in the following notes:

#### 3.1 Property, Plant and Equipments

Property, Plant and Equipments represent a significant proportion of the asset base of the company. The management of the Company makes assumptions about the estimated useful lives, depreciation methods or residual values of items of property, plant and equipment, based on past experience and information currently available. In addition, the management assesses annually whether any indications of impairment of tangible assets.

#### 3.2 Trade Receivables

The management believe that the net carrying amount of trade receivables is recoverable based on their past experience in the market and their assessment of the credit worthiness of debtors at Balance Sheet date. The provision is made against Trade Receivable based on Expected Credit Loss model as per Ind AS-109.

#### 3.3 Defined Benefit Plans

The provisions for defined benefit plans have been calculated by an actuarial expert. The basic assumptions are related to the mortality, discount rate and expected developments with regards to the salaries. The discount rate have been determined by reference to market yields at the end of the reporting period based on the expected duration of the obligation. The future salary increases have been estimated by using the expected inflation plus an additional mark-up based on historical experience and management expectations.

#### 3.4 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

#### 3.5 Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### 3.6 Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.



#### 4 PROPERTY, PLANT AND EQUIPMENTS

(Rs./Lakh)

Particulars	Leasehold Land	Freehold Land	Office Premises (a)	Building	Plant & Machinery (b & c)	Electrical Installation	Office Equipment	Furniture & Fixture	Vehicles	Livestock	Total	Capital work in Progress
<b>Gross Carrying Value as on 01.04.2015</b>	16.00	7.62	62.96	1,993.86	32,079.29	4,926.18	388.21	251.37	233.38	-	39,958.87	-
Addition	-	-	-	-	-	-	2.08	-	156.72	-	158.80	-
Deletions	-	-	-	-	-	-	-	-	40.65	-	40.65	-
<b>Gross Carrying Value as on 31.03.2016</b>	16.00	7.62	62.96	1,993.86	32,079.29	4,926.18	390.29	251.37	349.45	-	40,077.02	-
<b>Accumulated Depreciation as on 01.04.2015</b>	12.41	-	23.08	1,382.56	28,194.52	2,898.95	361.59	247.71	203.79	-	33,324.61	-
Depreciation for the period	0.53	-	1.02	48.37	927.82	377.20	15.78	2.42	33.77	-	1,406.91	-
Deductions/Adjustments	0.00	-	0.13	(0.13)	(1.20)	1.20	-	-	40.45	-	40.45	-
<b>Accumulated Depreciation as on 31.03.2016</b>	12.94	-	23.97	1,431.06	29,123.54	3,274.95	377.37	250.13	197.11	-	34,691.07	-
<b>Carrying Value as on 31.03.2016</b>	<b>3.06</b>	<b>7.62</b>	<b>38.99</b>	<b>562.80</b>	<b>2,955.75</b>	<b>1,651.23</b>	<b>12.92</b>	<b>1.24</b>	<b>152.34</b>	-	<b>5,385.95</b>	-
<b>Gross Carrying Value as on 01.04.2016</b>	16.00	7.62	62.96	1,993.86	32,079.29	4,926.18	390.29	251.37	349.45	-	40,077.02	-
Addition	-	-	-	-	243.19	-	14.07	-	28.57	0.80	286.63	3,227.94
Deletions	-	-	-	-	8,125.04	-	-	-	3.01	-	8,128.05	-
<b>Gross Carrying Value as on 31.03.2017</b>	16.00	7.62	62.96	1,993.86	24,197.44	4,926.18	404.36	251.37	375.01	0.80	32,235.60	3,227.94
<b>Accumulated Depreciation as on 01.04.2016</b>	12.94	-	23.97	1,431.06	29,123.54	3,274.95	377.37	250.13	197.11	-	34,691.07	-
Depreciation for the period	0.54	-	1.03	43.58	2,236.57	253.15	5.38	0.32	54.90	-	2,595.47	-
Deductions/Adjustments	0.00	-	-	-	8,125.04	-	-	-	3.01	-	8,128.05	-
<b>Accumulated Depreciation as on 31.03.2017</b>	13.48	0.00	25.00	1,474.64	23,235.07	3,528.10	382.75	250.45	249.00	-	29,158.49	-
<b>Carrying Value as on 31.03.2017</b>	<b>2.52</b>	<b>7.62</b>	<b>37.96</b>	<b>519.22</b>	<b>962.37</b>	<b>1,398.08</b>	<b>21.61</b>	<b>0.92</b>	<b>126.01</b>	<b>0.80</b>	<b>3,077.11</b>	<b>3,227.94</b>
<b>Gross Carrying Value as on 01.04.2017</b>	16.00	7.62	62.96	1,993.86	24,197.44	4,926.18	404.36	251.37	375.01	0.80	32,235.60	3,227.94
Addition	-	-	-	233.89	3,176.81	-	8.88	-	153.74	-	3,573.32	310.61
Deletions	-	-	-	-	-	-	-	-	126.38	-	126.38	3,227.94
<b>Gross Carrying Value as on 31.03.2018</b>	16.00	7.62	62.96	2,227.75	27,374.25	4,926.18	413.24	251.37	402.37	0.80	35,682.54	310.61
<b>Accumulated Depreciation as on 01.04.2017</b>	13.48	-	25.00	1,474.64	23,235.07	3,528.10	382.75	250.45	249.00	-	29,158.49	-
Depreciation for the period	0.54	-	1.02	41.79	205.29	215.10	8.54	0.22	51.84	-	524.34	-
Deductions/Adjustments	-	-	-	(3.73)	-	-	-	-	126.36	-	122.63	-
<b>Accumulated Depreciation as on 31.03.2018</b>	14.02	0.00	26.02	1,520.16	23,440.36	3,743.20	391.29	250.67	174.48	-	29,560.20	-
<b>Carrying Value as on 31.03.2018</b>	<b>1.98</b>	<b>7.62</b>	<b>36.94</b>	<b>707.59</b>	<b>3,933.89</b>	<b>1,182.98</b>	<b>21.95</b>	<b>0.70</b>	<b>227.89</b>	<b>0.80</b>	<b>6,122.34</b>	<b>310.61</b>

- a) i) Since separate breakup of Rs. 62.96 Lakh being cost of office premises, furniture & fixtures and air conditioners at Mumbai are not available, depreciation has been provided on total cost as office premises.
- ii) Includes cost of 5 shares (Previous year 5 shares) Rs.252 (Previous year Rs.252) in Arcadia Premises Co-operative Society Ltd., Mumbai.
- b) Effective 1st April 2014, the Company had revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April 2014 was depreciated over the revised remaining useful life. Based on technical evaluation, depreciation has been provided taking Plant & Machinery (except CPP Plant) & Captive Power Plant Life to 18 years instead of 25 years as prescribed in the Schedule II of the Companies Act, 2013. Had the useful life be taken to 25 years the depreciation would have been Rs 276.02 Lakh (Previous year Rs. 305.21 Lakh for 31.03.2017 Rs.345.07 Lakh on 01.04.2016) instead of Rs. 330.26 Lakh (Previous Year Rs. 402.14 lakh for 31.03.2017 and

Rs.636.27 Lakh for 01.04.2016), resulting in excess charge of depreciation during the year by Rs. 54.24 Lakh. (Previous Year Rs. 96.93 Lakh for 31.03.2017 and Rs.291.20 Lakh for 01.04.2016)

- c) In pursuance of accounting standard 28 on impairment of assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has reviewed the future earnings of its cash generating units. Based on technical review the company has accounted for the impairment loss on ETP Equipments having value of Rs. NIL Lakh (Previous year 165.41 Lakh for 31.03.2017 and Nil for 01.04.2016) after considering the salvage value as the said equipment is unable to achieve Zero liquid discharge of water and hence not further usable.
- d) As reported in earlier years, the company had revalued its plant and machinery, resulting in net increase in its value by Rs. 7960.63 Lakh and created Revaluation Reserve to that an extent. The company has set off opening balance of Revaluation Reserve amounting Rs.1909.23 Lakh as on 01.04.2016, with the carrying amount of Fixed Asset, as the assets against which such revaluation reserve was created stands fully depreciated In View of above,the Gross Block and carry forward depreciation adjusted by revalued amount of Rs.7960.63 Lakh during previous year 31.03.2017 .

## 5 OTHER FINANCIAL ASSETS (NON CURRENT)

(Unsecured-considered good)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Fixed deposits with banks			
- Held as margin/security with maturity period of more than 12 months from the balance sheet date	677.97	123.10	408.89
Security Deposits to Others	5.53	5.83	7.42
Capital Advance	1,066.76	152.99	1,076.29
<b>Total</b>	<b>1,750.26</b>	<b>281.92</b>	<b>1,492.60</b>

## 6 DEFERRED TAX ASSETS (NET)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Deferred Tax liability</b>			
Property, Plant and equipment	411.15	45.80	49.25
Unrealised Gain in Investment	11.96	5.02	-
Amortisation of upfront fee	0.31	1.79	4.78
Expected Credit Loss	-	1.16	-
<b>Total</b>	<b>423.42</b>	<b>53.76</b>	<b>54.03</b>
<b>Deferred Tax Assets</b>			
Carry forward loss	-	-	119.53
Expenses allowable on payment basis	465.01	446.39	227.72
Expected Credit Loss	7.28	-	-
Amortisation of upfront fee	-	-	-
<b>Total</b>	<b>472.29</b>	<b>446.39</b>	<b>347.25</b>
<b>Net Deferred Tax Assets</b>	<b>48.87</b>	<b>392.63</b>	<b>293.22</b>

## 7 INVENTORIES

(As taken, valued and certified by the management)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw Materials*	5,590.31	4,337.60	4,300.87
Work in progress	431.53	364.21	364.29
Finished Goods			
- Own Manufactured	3,606.97	3,866.19	2,278.87
- Trading	3.33	4.38	4.24
Stores & Spares**	768.96	406.93	598.97
Fuel	1,290.44	1,055.45	767.41
DEPB License in hand	-	34.82	564.47
<b>Total</b>	<b>11,691.54</b>	<b>10,069.58</b>	<b>8,879.12</b>

\* includes goods in transit Rs 3192.00 Lakh (Rs. 2285.89 Lakh as at 31.03.2017, Rs. 3344.46 Lakh as at 01.04.2016).

\*\* includes goods in transit Rs.3.84 Lakh (Rs. 32.91 Lakh as at 31.03.2017, Rs. 65.02 Lakh as at 01.04.2016).

## 8 CURRENT INVESTMENTS

Financial assets at fair value through Profit and Loss

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<u>Investments in Mutual Fund (Quoted)</u>			
54569.414 units of Rs.1939.6435 each at 31.03.2018 ( 102593.27 units of Rs. 1816.83 each at 31.03.2017 and 104713.05 units of Rs. 1693.63 each at 01.04.2016) of UTI Money Market Fund Institutional Plan- Growth	1,058.45	1,863.94	1,773.45
NIL units of Rs.NIL ( 374693.91 units of Rs. 388.63 each at 31.03.2017 and NIL units at 01.04.2016) of Birla Sunlife Cash Manager- Growth	-	1,469.48	-
27608.038 units of Rs.4222.2458 each at 31.03.2018 ( NIL units of Rs. NIL each at 31.03.2017 and NIL units of Rs.NIL each at 01.04.2016)of Reliance Mutual Fund	1,165.68	-	-
52019.132 units of Rs.3599.4694 each at 31.03.2018 ( NIL units of Rs. NIL each at 31.03.2017 and NIL units of Rs.NIL each at 01.04.2016) of HDFC Mutual Fund	1,872.41	-	-
<b>Total</b>	<b>4,096.54</b>	<b>3,333.42</b>	<b>1,773.45</b>

## 9. TRADE RECEIVABLES

(Unsecured considered Good)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Exceeding Six Months	130.04	45.68	156.68
Others	4,582.67	3,188.81	3,771.69
<b>Total</b>	<b>4,712.72</b>	<b>3,234.49</b>	<b>3,928.37</b>
Less: Allowance for Credit Loss	(21.05)	(15.64)	(18.99)
<b>Total</b>	<b>4,691.68</b>	<b>3,218.85</b>	<b>3,909.38</b>

Certain debit balances of sundry debtors are subject to confirmation and reconciliation. Difference, if any, shall be accounted for on such reconciliation.

The Company follows 'simplified approach' for recognition of expected credit loss allowance on trade receivable. Under the simplified

approach, the Company does not track changes in credit risk. Rather, it recognizes expected credit loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

#### 10 CASH & CASH EQUIVALENTS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks :-			
- Current Account	150.78	137.08	321.14
- Cash Credit account	330.66	299.99	-
Fixed deposits with banks			
- Held as margin/security with maturity period of 3 months from the date of inception	2,267.44	351.30	-
Cash in hand	3.08	1.01	2.37
<b>Total</b>	<b>2,751.96</b>	<b>789.38</b>	<b>323.51</b>

#### 11 OTHER CURRENT FINANCIAL ASSETS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Interest receivable on loan & deposits	59.40	72.52	63.75
Fixed Deposit with Banks :			
- Held as margin/security with maturity period of within 12 months from the Balance Sheet date	336.97	1,389.71	464.13
<b>Total</b>	<b>396.37</b>	<b>1,462.23</b>	<b>527.88</b>

#### 12 CURRENT TAX ASSETS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance Income Tax	19.00	-	-
MAT Credit Entitlement	397.94	656.41	1,458.43
<b>Total</b>	<b>416.94</b>	<b>656.41</b>	<b>1,458.43</b>

#### 13 OTHER CURRENT ASSETS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balance with Custom/Excise & Other Govt. Authorities	448.69	405.15	136.54
Advance recoverable in cash or in kind	168.61	416.04	406.96
Loans to Staff (Considered Good)	28.01	13.88	17.92
Others	163.73	147.80	133.83
<b>Total</b>	<b>809.04</b>	<b>982.87</b>	<b>695.25</b>

#### 14 EQUITY SHARE CAPITAL

##### (a) Authorised

Particulars	No. of Shares			Amount (Rs. Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Equity Shares of Rs. 10 each</b>						
At the beginning of the period	100,000,000	100,000,000	100,000,000	10,000	10,000	10,000
Add: Additions during the period	-	-	-	-	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	100,000,000	100,000,000	100,000,000	10,000	10,000	10,000

##### (b) Issued

Particulars	No. of Shares			Amount (Rs. Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Equity Shares of Rs. 10 each fully paid up</b>						
At the beginning of the period	89158825	89158825	89158825	8,915.88	8,915.88	8,915.88
Add: Additions during the period	-	-	-	-	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	<b>89158825</b>	89158825	89158825	<b>8,915.88</b>	8,915.88	8,915.88

##### (c) Subscribed and Paid up

Particulars	No. of Shares			Amount (Rs. Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>Equity Shares of Rs. 10 each fully paid up</b>						
At the beginning of the period @	89133121	89133121	89133121	8,914.10	8,914.10	8,914.10
Add: Additions during the period	-	-	-	-	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	<b>89133121</b>	89133121	89133121	<b>8,914.10</b>	8,914.10	8,914.10

@ Does not include 15800 shares (Previous years 15800 Shares on 31.03.2017, 15800 Shares on 01.04.2016) forfeited in the earlier years, amount forfeited Rs.0.79 Lakh (Previous years Rs. 0.79 Lakh on 31.03.2017, 0.79 Lakh 01.04.2016) included in share capital subscribed and paid up.

Details of shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares			Percentage		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mr. Manish Jain	15649232	15649232	15649232	17.56	17.56	17.56
Gurukripa Finvest Private Ltd.	9000000	9000000	9000000	10.10	10.10	10.10
Sulabh Plantation & finance pvt. Ltd	8250000	8250000	8250000	9.26	9.26	9.26
Arihant Exports Pvt Ltd	4627867	4627867	4627867	5.19	5.19	5.19
Shubh Exim Ltd.	4500000	4500000	4500000	5.05	5.05	5.05
PICUP	4481752	4481752	4481752	5.03	5.03	5.03

## 15 NON CURRENT BORROWINGS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
From Banks (SECURED)			
Rupee Term Loan (a)	-	192.11	583.47
Vehicle loan (b)	70.88	22.61	55.20
<b>Total</b>	<b>70.88</b>	<b>214.72</b>	<b>638.67</b>

- a) Rupee Term Loan of Rs. NIL (Previous year 192.11 Lakh on 31.03.2017 and Rs. 583.47 Lakh on 01.04.2016) are secured by 1st charge on New Plant & Machinery on pari-passu basis. 2nd Pari-passu charge by way of hypothecation of current assets of the Company, subject to existing charge of working capital bankers and assignment of project related documents, contract right interest, insurance contracts etc. and further guaranteed by the Managing Director.
- b) Secured by hypothecation of specified assets acquired out of the loan amount

There is no default as on the Balance Sheet date in repayment of loans and interest

The above loans are repayable as follows:

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Payable after 1 year	30.41	220.55	432.60
Payable after 2 years	32.93	-	220.55
Payable after 3 years	6.42	-	-
Payable after 4 years	1.12	-	-
<b>Total</b>	<b>70.88</b>	<b>220.55</b>	<b>653.15</b>
Un-amortised Upfront Fee	-	5.83	14.48
Loans Repayable	70.88	214.72	638.67

## 16 NON CURRENT PROVISIONS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provisions for Employee Benefits	296.76	224.88	218.82
<b>Total</b>	<b>296.76</b>	<b>224.88</b>	<b>218.82</b>

## 17 OTHER NON CURRENT LIABILITIES

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Export Benefit Received in Advance	164.75	39.09	27.41
<b>Total</b>	<b>164.75</b>	<b>39.09</b>	<b>27.41</b>

## 18 CURRENT BORROWINGS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured			
Loans repayable on Demand			
From Banks*	166.42	21.26	259.50
Other Loans & Advances			
Foreign Currency Buyers Credit*	-	2,116.85	291.32
<b>Sub Total</b>	<b>166.42</b>	<b>2,138.11</b>	<b>550.82</b>
Unsecured			
Inter Corporate loan from related party	175.00	175.00	525.00
Deferred Credit	21.04	68.17	1,408.50
<b>Sub Total</b>	<b>196.04</b>	<b>243.17</b>	<b>1,933.50</b>
<b>Total</b>	<b>362.46</b>	<b>2,381.28</b>	<b>2,484.32</b>

\* Secured by hypothecation of book debts, raw-material, finished goods, semi-finished goods, consumable stores and spares including in transit and also secured by a second charge by way of mortgage of immovable properties both present and future and further guaranteed by the Managing Director.

## 19 TRADE PAYABLES

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Acceptances	13,215.78	7,921.88	7,143.04
Sundry Creditors			
a) Total outstanding dues of micro enterprises and small enterprises *	-	-	-
b) Total outstanding dues of Creditors other than micro enterprises and small enterprises**.	896.20	1,126.89	703.68
<b>Total</b>	<b>14,111.98</b>	<b>9,048.77</b>	<b>7,846.72</b>

\* The Company has not received intimation from other suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

\*\* Includes liabilities of Rs.228.33 Lakh (Previous year Rs. 167.31 Lakh as at 31.03.2017, Rs. Nil as at 01.04.2016) in respect of capital goods.

## 20 OTHER FINANCIAL LIABILITIES

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current Maturities of Long Term Debts	247.87	432.60	430.56
<b>Total</b>	<b>247.87</b>	<b>432.60</b>	<b>430.56</b>

- Company has repaid Working Capital Term Loan and Rupee Term Loan restructured under CDR in earlier years. However the respective charge with ROC is yet to be satisfied.
- Loan of Rs. 197.18 Lakh (Previous year Rs.400 Lakh on 31.03.2017 and Rs. 400 Lakh on 01.04.2016) are secured by 1st charge on New Plant & Machinery on pari-passu basis. 2nd Pari-passu charge by way of hypothecation of current assets of the Company, subject to existing charge of working capital bankers and assignment of project related documents, contract right interest, insurance contracts etc. and further guaranteed by the Managing Director
- Vehicle Loan of Rs. 50.68 Lakh (Previous year Rs. 32.60 Lakh on 31.03.2017 and Rs. 30.56 Lakh on 01.04.2016 ) Secured by hypothecation of specified assets acquired out of the loan amount.

## 21 OTHER CURRENT LIABILITIES

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance from Customers	20.25	232.59	20.63
Other Payables	2,278.20	2,013.40	1,166.60
Interest accrued but not due on borrowings	7.29	11.24	7.19
<b>Total</b>	<b>2,305.74</b>	<b>2,257.23</b>	<b>1,194.42</b>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31.03.2018.

## 22 PROVISIONS

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provisions for Employee Benefits	329.62	258.18	231.56
<b>Total</b>	<b>329.62</b>	<b>258.18</b>	<b>231.56</b>

Amount payable to related party Rs. 79.93 Lakh (Previous Year Rs.7.85 lakh as at 31.03.2017, Rs. 6.16 lakh as at 01.04.2016).

## 23 CURRENT TAX LIABILITIES (NET)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Income Tax (Net of TDS Rs.13.43 lakh, Advance Tax Rs.700 lakh and MAT credit utilisation Rs.252.96 lakh (Previous year Net of TDS Rs.12.63 lakh, Advance Income tax Rs.700 and MAT credit utilisation Rs.802.02 lakh on 31.03.2017 and TDS Rs.16.11 lakh on 01.04.2016)	240.05	459.98	991.47
<b>Total</b>	<b>240.05</b>	<b>459.98</b>	<b>991.47</b>

## 24 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	Amount (Rs./Lakh)		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Contingent Liabilities			
a) Claims against the company not knowledged as debts	-	-	-
b) Sale tax/Excise Duty/Custom Duty/Other Statutory Due/Service Tax disputed in appeal	114.7	236.97	255.81
c) Income tax matters in dispute	104.92	-	-
d) Bank Guarantee	130.96	183.96	111.96
e) Labour cases disputed in appeal	5.59	5.50	5.42
Commitments			
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	1105.23	18.50	2019.72
b) Letter of credits opened for which the material has not yet been shipped	3215.05	4,568.72	2,487.80

25 In the opinion of the board the assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.



## 26 REVENUE FROM OPERATIONS

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Sales of Products (Including Excise Duty)	57,798.55	49,861.34
- Export Incentives / Benefits	150.46	342.14
<b>Total</b>	<b>57,949.01</b>	<b>50,203.48</b>

## 27 OTHER INCOME

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Interest	126.80	111.10
Claims Received	24.48	73.90
Miscellaneous Receipts & Income	287.20	416.98
Profit on sale of fixed assets	13.37	0.29
Exchange Rate Difference (Net)	-	187.60
Prior year's Income/Adjustments	17.40	1.90
<b>Total</b>	<b>469.25</b>	<b>791.78</b>

## 28 COST OF MATERIALS CONSUMED

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
At the beginning of the period	4,337.60	4,300.87
Add: Purchases during the period	43,025.20	31,636.14
Less: Inventory at the end of the period	5,590.31	4,337.60
Consumption during the period	41,772.49	31,599.41

### Raw Materials Consumed (Major Heads)

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
ACRYLONITRILE	36,839.65	27,404.67
VINYL ACETATE MONOMER	1,849.47	1,896.81
DIMETHYL FORMAMIDE	332.74	303.20
OTHERS	2,750.63	1,994.73
<b>TOTAL</b>	<b>41,772.49</b>	<b>31,599.41</b>

### Purchases of Stock In Trade-

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
ACRYLIC YARN	21.89	19.48

**29 CHANGES IN INVENTORIES**

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Closing Stock		
Finished Goods		
- Own Manufactured	3,606.97	3,866.19
- Trading	3.33	4.38
Work in Progress	431.53	364.21
	4,041.83	4,234.78
Opening Stock		
Finished Goods		
- Own Manufactured*	3,897.95	2,278.87
- Trading	4.38	4.24
Work in Progress	364.21	364.29
	4,266.54	2,647.41
<b>(Increase)/Decrease in stocks</b>	<b>224.71</b>	<b>(1,587.38)</b>

\*Include CPP stock of Rs. 31.76 Lakh as at 01.09.2017 i.e Date of Commercial Production

**30 EMPLOYEE BENEFITS EXPENSES**

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Salaries & Wages	2006.62	1746.23
Contribution to Provident & Other Funds	145.18	133.03
Staff Welfare Expenses	65.83	58.44
<b>Total</b>	<b>2,217.63</b>	<b>1,937.70</b>

Disclosure as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits.

**Employee Post Retirement Benefits**

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
<b>During the year, the following contribution have been made under defined contribution plans:-</b>		
Employer's Contribution to Provident Fund	50.54	42.42
Employer's Contribution to Employees Pension Scheme	51.24	48.65

**Defined Benefit Plans :**
**Changes in the present value of the obligations**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Present value of defined benefit obligation at the beginning of the year	529.34	445.07	219.82	206.23
Interest cost	41.02	35.61	17.04	15.98
Past Service Cost-Vested	20.00	-	-	-
Current service cost	34.45	24.28	26.25	21.24
Benefits Paid	(41.24)	(16.60)	(22.06)	(18.35)
Actuarial (gain)/loss on obligations	9.17	24.12	21.03	(5.28)
Present value of defined benefit obligation at the end of the year	592.74	512.47	262.07	219.82

**Change in fair value of plan asset**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Present value of Plan assets at the beginning of the year	485.59	419.88	-	-
Actual return on Plan Assets	37.01	34.75	-	-
Contributions	55.39	47.57	-	-
Benefits paid	(41.24)	(16.60)	-	-
Charges Deducted	(0.32)			
Fair value of plan assets at the end of the year	536.44	485.60	-	-

**Amount recognized in Balance Sheet**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Present value of obligation as at the end of the year	592.74	512.47	262.07	219.82
Fair value of Plan Assets as at the end of the year	536.44	485.60	-	-
Unfunded Net Assets/(Liability) recognised in Balance Sheet	(56.30)	(26.87)	(262.07)	(219.82)

**Expenses Recognized in Profit & Loss**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Current Service Cost	34.45	24.28	26.25	21.24
Past Service Cost Vested	20.00	-	-	-
Interest Cost	3.39	0.86	17.04	15.98
Total Expenses recognised in Profit & Loss Account	57.84	25.14	43.29	37.22

**Recognized in Other Comprehensive Income (OCI)**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Net cumulative unrecognized actuarial (gain/loss) opening	-	-	-	-
OCI recognized during the year	9.79	24.12	21.03	(5.28)
Unrecognized actuarial gain/(Loss at the end of the year	-	-	-	-
Total Actuarial (gain)/loss at the end of the year	9.79	24.12	21.03	(5.28)

**The principal actuarial assumptions used for estimating the Company's defined benefits obligation are set out below:**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2017-2018	Financial Year 2016-2017	Financial Year 2017-2018	Financial Year 2016-2017
Discount rate (per annum)	7.65%	8.00%	7.75%	7.75%
Rate of increase in Compensation Levels (Per Annum)	6.00%	6.00%	9.50%	9.50%
Expected average remaining working lives of employees (years)	12.97	N.A	13.15	13.07
Method Used.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

The assumption of future salary increase taken into account the inflation, seniority, promotion and other relevant factors such supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2016-17 as considered in previous transaction to IND AS.

### 31 FINANCE COST

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Interest Expense:		
- Banks	62.54	117.76
- Others	125.83	134.76
Bank and Finance Charges	275.95	320.90
<b>Total</b>	<b>464.32</b>	<b>573.42</b>

### 32 DEPRECIATION & AMORTISATION EXPENSE

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Depreciation	524.34	521.82
Impairment of assets Loss written off	-	164.41
<b>Total</b>	<b>524.34</b>	<b>686.23</b>

- Effective 1st April 2014, the Company had revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April 2014 was depreciated over the revised remaining useful life.
- Based on technical evaluation, depreciation has been provided taking Plant & Machinery (except CPP Plant) & Captive Power Plant Life to 18 years instead of 25 years as prescribed in the Schedule II of the Companies Act, 2013. Had the useful life be taken to 25 years, the depreciaton would have been Rs.276.02 Lakh (Previous year Rs. 305.21 Lakh) instead of Rs.330.26 Lakh (Previous year Rs. 402.14 Lakh), resulting in excess charge of depreciation during the year by Rs.54.24 Lakh(Previous Year Rs.96.93 Lakh)
- In pursuance of accounting standard 28 on impairment of assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has reviewed the future earnings of its cash generating units. Based on technical review the company has accounted for the impairment loss on certain Machinery having value of Rs.Nil (Previous year Rs. 165.41 Lakh) due to failure to perform,after considering saleable value, Rs. Nil (Previous year Rs.164.41 Lakh) has been written off in accounts.

### 33 OTHER EXPENSES

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Consumption of Stores, Spare and Packing Materials	688.13	1,126.81
Power & Fuel	4,199.76	3,448.32
Exise Duty	943.51	3,774.72
Rent	166.32	188.01
Repairs to Buildings	45.36	70.36
Repairs to Machinery	196.43	260.53
Repairs-Others	58.73	46.76
Insurance	98.64	74.46
Rates & Taxes	13.06	17.95
Travelling & Conveyance	131.18	138.28
Rebates and Discounts	46.16	331.76
Commission & Brokerage	130.09	211.92
Exchange Fluctuation	51.06	-

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Freight Outward	1,113.84	1,174.69
Packing ,Handling & Finishing Charges	104.97	88.11
Charity & Donation	0.99	0.80
Claim Paid/Irrecoverable Advances written off	61.59	16.47
Bad Debts written off	56.59	345.09
Increase /(Decrease) of Excise Duty on Inventory	(432.41)	170.69
Miscellaneous Expenses*	499.45	433.84
<b>Total</b>	<b>8,173.45</b>	<b>11,919.58</b>

\* Includes Rs.69.45 Lakh (Previous Year Rs. 53.39 Lakh) being CSR expenses incurred by the company during the year in compliance of Section 135 of the Companies Act, 2013.

\* Includes payment to auditors

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
As Statutory Audit Fees	7.00	7.00
As Audit Fees for Quarterly Audited Results	3.82	3.79
As Tax Audit Fees	1.25	1.26
For Certification Work	0.10	0.26
For Reimbursement of Expenses	-	-
<b>Total</b>	<b>12.17</b>	<b>12.31</b>

#### 34 Exceptional Items

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Recompense on CDR Exit (a)	651.14	541.10
<b>Total</b>	<b>651.14</b>	<b>541.10</b>

Based on reference of Allahabad Bank, the lead bank, a financial restructuring package was approved by Empowered Group of Corporate Debt Restructuring (CDR- EG) at its meeting held on November 9, 2004, COD April 1, 2004. Since the company has repaid entire Term Loan and Working Capital Term Loan restructured under CDR as at 31.03.2016. Consequently recompense liability of Rs. 651.14 Lakh (Previous year Rs. 541.10 Lakh) has been provided as principally agreed by the lenders.

#### 35 EARNINGS PER SHARE (EPS)

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Basic and Diluted Earnings Per Share		
Profit/(Loss) after tax as per profit & loss account (Rs. Lakh) (A)	2,800.59	3,422.31
No. of equity shares (B)	89133121	89133121
Basic and Diluted Earning Per Share (Rs.) (A/B)	3.14	3.84

### 36 First Time Adoption of Ind AS

#### 36.1 Transition to Ind AS

The Company has adopted The Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act' 2013 from 1 April 2017 and accordingly financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS, prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued thereunder. These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet as at 1 April 2016 (the transition date).

In preparing the opening Ind AS balance sheet as at 1 April 2016, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). The impact of transition has been made in the Reserves as at 1 April 2016 in accordance with the Ind AS 101 and the figures of the previous year ended 1 April 2016 and 31 Mar 2017 have been presented/restated after incorporating the applicable Ind AS adjustments.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### 36.2 Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows, from as reported in accordance with previous GAAP. The following tables represent the reconciliations from previous GAAP to Ind AS.

##### 36.2.1 Reconciliations of Balance Sheet as per previous GAAP and Ind AS \*

(Rs./Lakh)

Particulars	Refer Note	As at 31st March 2017			As at 1st April 2016		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>Assets</b>							
<b>NON CURRENT ASSETS</b>							
1 Property, Plant and Equipments		3,077.11	-	3,077.11	5,385.95	-	5,385.95
2 Capital Work in Progress		3,227.94	-	3,227.94	-	-	-
3 Other Financial Assets		281.92	-	281.92	1,492.60	-	1,492.60
4 Deferred Tax Assets (Net)	(c)	400.59	(7.96)	392.63	298.00	(4.78)	293.22
<b>Total Non-Current Assets</b>		<b>6,987.56</b>	<b>(7.96)</b>	<b>6,979.60</b>	<b>7,176.56</b>	<b>(4.78)</b>	<b>7,171.77</b>
<b>CURRENT ASSETS</b>							
1 Inventories		10,069.58	-	10,069.58	8,879.12	-	8,879.12
2 Financial Assets							
- Current Investment	(e)	3,313.60	19.82	3,333.42	1,768.12	5.33	1,773.45
- Trade receivables	(d)	3,234.48	(15.64)	3,218.85	3,928.37	(18.99)	3,909.38
- Cash and cash equivalents		789.38	-	789.38	323.51	-	323.51
- Other Current Financial Assets		1,462.21	-	1,462.22	527.88	-	527.88
3 Income Tax Assets		656.41	-	656.41	1,458.43	-	1,458.43
4 Other Current Assets		982.87	-	982.87	695.25	-	695.25
<b>Total Current Assets</b>		<b>20,508.53</b>	<b>4.18</b>	<b>20,512.73</b>	<b>17,580.66</b>	<b>(13.66)</b>	<b>17,567.02</b>
<b>Total Assets</b>		<b>27,496.09</b>	<b>(3.78)</b>	<b>27,492.33</b>	<b>24,757.22</b>	<b>(18.44)</b>	<b>24,738.79</b>

(Rs./Lakh)

Particulars	Refer Note	As at 31st March 2017			As at 1st April 2016		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>Equity</b>							
1 Equity Share Capital		8,914.10	-	8,914.10	8,914.10	-	8,914.10
2 Other Equity	(a to f)	3,259.44	2.05	3,261.50	1,764.70	(3.97)	1,760.74
<b>Total Equity</b>		<b>12,173.54</b>	<b>2.05</b>	<b>12,175.60</b>	<b>10,678.80</b>	<b>(3.97)</b>	<b>10,674.84</b>
<b>NON-CURRENT LIABILITIES</b>							
1 Financial liabilities							
- Borrowings	(a)	220.54	(5.83)	214.72	653.14	(14.47)	638.67
2 Provisions		224.88	-	224.88	218.82	-	218.82
3 Deferred Tax Liabilities (net)		-	-	-	-	-	-
4 Other Non Current Liabilities		39.09	-	39.09	27.41	-	27.41
<b>Total Non Current liabilities</b>		<b>484.51</b>	<b>(5.83)</b>	<b>478.69</b>	<b>899.36</b>	<b>(14.47)</b>	<b>884.89</b>
<b>CURRENT LIABILITIES</b>							
1 Financial liabilities							
- Borrowings		2,381.28	-	2,381.28	2,484.32	-	2,484.32
- Trade Payables		9,048.77	-	9,048.77	7,846.72	-	7,846.72
- Other Financial Liabilities		432.60	-	432.60	430.56	-	430.56
2 Other current liabilities	(a)	2,257.23	-	2,257.23	1,194.42	-	1,194.42
3 Provisions		258.18	-	258.18	231.56	-	231.56
4 Current Tax Liabilities		459.98	-	459.98	991.47	-	991.47
<b>Total Current liabilities</b>		<b>14,838.04</b>	<b>-</b>	<b>14,838.04</b>	<b>13,179.06</b>	<b>-</b>	<b>13,179.06</b>
Total Equity and liabilities		27,496.09	(3.78)	27,492.33	24,757.22	(18.44)	24,738.79

\* For the purpose of above disclosure, figures for the previous GAAP have been reclassified/rearranged/regroup to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule III of the Companies Act 2013.

### 36.2.2 Reconciliation of total comprehensive income for the year ended 31 March 2017 \*

(Rs./Lakh)

Particulars	Refer Note	As at 1st April 2016		
		Previous	Adjustment GAAP	Ind AS
<b>I REVENUE</b>				
Revenue from Operations		50,203.48	-	50,203.48
Other Income	(e)	777.29	14.49	791.78
<b>Total Revenue</b>		<b>50,980.77</b>	<b>14.49</b>	<b>50,995.26</b>
<b>II EXPENSES</b>				
Cost of Material Consumed		31,599.41	-	31,599.41
Purchase of stock in trade		19.48	-	19.48
Changes in Inventory of Finished Goods and Work in Progress		(1,587.38)	-	(1,587.38)
Employee Benefits Expense	(b,f)	1,956.54	(18.84)	1,937.70
Finance Costs	(a,b)	564.78	8.64	573.42
Depreciation & Amortization Expenses		686.23	-	686.23
Other Expenses	(d)	11,922.93	(3.35)	11,919.58
<b>TOTAL EXPENSES</b>		<b>45,161.99</b>	<b>(13.55)</b>	<b>45,148.44</b>

(Rs./Lakh)

Particulars	Refer Note	As at 1st April 2016		
		Previous	Adjustment GAAP	Ind AS
III Profit before exceptional items and tax		5,818.79	28.04	5,846.83
IV Exceptional items		541.10	-	541.10
V Profit before tax (III-IV)		5,277.69	28.04	5,305.73
VI TAX EXPENSE				
Current Tax		1,976.30	-	1,976.30
Deferred Tax	(c)	(102.59)	9.71	(92.88)
VII PROFIT AFTER TAX		3,403.98	18.33	3,422.31
VIII OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit & loss	(b,c,f)	(0.00)	(18.84)	(18.84)
Income tax relating to above	(b,c,f)	0.00	6.52	6.52
Other Comprehensive Income for the year (Net of Tax)		(0.00)	(12.32)	(12.32)
IX TOTAL COMPREHENSIVE INCOME		3,403.98	6.01	3,409.99

\* For the purpose of above disclosure, figures for the previous GAAP have been reclassified/rearranged/regroup to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule III of the Companies Act 2013.

### 36.2.3 Reconciliation of Total Equity as at 31 March 2017 and 1 April 2016

Particulars	Amount (Rs./Lakh)	
	Previous 31st March 2017	As at 31st March 2016
Other equity as per previous GAAP	3,259.44	1,764.70
Amortisation of upfront fee	5.83	14.47
Fair value of Investments	19.82	5.33
Expected Credit Loss	(15.63)	(18.99)
Tax Impact	(7.96)	(4.78)
Other Equity as per Ind AS	3,261.50	1,760.74

The Equity Share Capital Component of Total Equity has no change from previous GAAP, hence not considered above.

### 36.2.4 Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017

Particulars	As at 1st April 2016		
	Previous GAAP	Adjustment	Ind AS
Net cash inflow/(outflow) from operating activities	4,426.48	(288.22)	4,138.26
Net cash inflow/(outflow) from investing activities	(3,906.58)	(5.73)	(3,912.31)
Net cash inflow/(outflow) from financing activities	585.74	(345.82)	239.92
		-	
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,105.64	(639.77)	465.87
Cash and cash equivalents as at 1 April 2016	1,196.53	(873.02)	323.51
<b>Cash and cash equivalents as at 31 March 2017</b>	2,302.17	(1,512.79)	789.38

Explanatory Notes to First Time Adoption are as follows:

#### (a) (i) Transaction Cost on Borrowing

Under previous GAAP, transaction costs were charged to profit or loss as and when incurred. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing



using the effective interest method.

**(b) Defined benefit liabilities:**

Under INDAS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

**(c) Tax Implications**

Tax impact includes deferred tax impact, wherever applicable as per provisions of Ind AS 12 (Income Taxes), on account of difference between previous GAAP and Ind AS.

**(d) Expected credit loss allowance**

In determining the allowances for doubtful trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

**(e) Fair valuation of Investments**

The Company have considered fair value for Investments in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

**(f) Other comprehensive income**

Under IndAS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

**37 Related Party Disclosure:**

**A Names of related parties and description of relationship**

**(i) Key management personnel (Whole Time Directors)**

Mr.Vineet Jain-Managing Director

Mr. Rakesh Mundra- Director (Finance)

Relatives of key managerial personnel (with whom transactions have taken place)

Mr.Manish Jain-Brother and Mrs. Garima Jain, Wife of Managing Director

**(ii) Enterprises over which key managerial personnel of the company and their relatives have significant influence**

• Prabhat Capital Services Ltd

- Accurex Traders Pvt. Ltd.

**(iii) Other related Parties**

Pasupati Officer's Provident Fund Trust

The Pasupati Acrylon Ltd. Employees Superannuation Scheme

The Pasupati Acrylon Ltd. Employees Group Gratuity Scheme

**(iv) Subsidiaries Companies** NIL

**(v) Joint Venture / Joint contro & Associates** NIL

The following transactions were carried out with related parties in the ordinary course of business.

Particulars	Relatives of Key Managerial Personnel	Key Managerial Personnel	Others
Salaries & Allowances	24.89	163.07	-
	(11.44)	(61.03)	-
Rent/Lease Rent Paid	-	-	2.69
	-	-	(2.69)
Loan Repaid	-	-	-
	-	-	(350.00)
Interest Paid	-	-	15.75
	-	-	(45.41)
Contribution to Gratuity / PF / Superannuation Fund	4.05	13.52	95.73
	(2.48)	(9.51)	(74.70)

Previous period figures are given in bracket.

Note: Related party relationship is as identified by the company and relied upon by the auditors.

### 38 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk and credit risk. The Company's management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below

#### (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, trade payables, deposits and investments.

#### (ii) Foreign Currency Risk

The Company's raw material are imported and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR).

#### Unhedged in Foreign Currency Exposure

Particulars	Currency	( FC/Lakh)		
		31.03.2018	31.03.2017	31.03.2016
Trade Receivable	USD	0.60	1.08	11.99
1% increase		0.01	0.01	0.12
1% decrease		(0.01)	(0.01)	(0.12)
Trade Payable	USD	199.55	135.10	105.61
1% increase		2.00	1.35	1.06
1% decrease		(2.00)	(1.35)	(1.06)
Trade Payable	EURO	-	18.93	-
1% increase		-	0.19	-
1% decrease		-	(0.19)	-

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the Indian rupee computed from historical data and is representative of the foreign exchange currency risk inherent in financial assets and financial liabilities reported at the reporting date.

#### (iii) Credit Risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

### 39 Disclosure as required under IND AS 108- Operating Segments

Operating Segments:

- a. Acrylic Fibre Division
- b. Cast Polypropylene Film Division (CPP Film)

#### Identification of Segments

The management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

### Segment revenue and results

Expenses and Revenue that are directly identifiable with the segments are considered for determining the segment results. Expenses and Revenue which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure and revenue respectively.

### Segment assets and liabilities

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities, if any, represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

(Amount in Lakh)

Particulars	Acrylic Fibre	CPP	Unallocated	TOTAL
Segment Revenue	57,122.39	826.62		57,949.01
Segment Results (Profit before Exceptional Item, Interest and Tax)	5,528.32	(44.55)		5,483.76
Finance Cost			464.32	464.32
Exceptional Item	651.14			651.14
Profit before Tax			4,368.30	4,368.30
Segment Assets	28,071.04	5,015.11		33,086.15
Segment Liabilities	17,858.24	271.86		18,130.10

Note: Company commenced commercial production of CPP Film w.e.f. 01.09.17, hence segment figures for previous period has not been given.

#### 40 VALUE OF IMPORTED / INDIGENOUS RAW MATERIALS, STORES & SPARES CONSUMED

Class of Goods	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Percentage	Amount (Rs. Lakh)	Percentage	Amount (Rs. Lakh)
Raw Materials				
Imported	94.59	39,511.73	93.92	29,678.48
Indigenous	5.41	2,260.76	6.08	1,920.93
	<b>100.00</b>	<b>41,772.49</b>	<b>100.00</b>	<b>31,599.41</b>
Stores & Spares				
Imported	5.74	39.50	0.84	9.34
Indigenous	94.26	648.63	99.16	1,117.47
	<b>100.00</b>	<b>688.13</b>	<b>100.00</b>	<b>1,126.81</b>

#### 41 OTHER INFORMATIONS

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
CIF value of Imports		
Raw materials	37,871.01	28,090.32
Stores & spares	40.87	13.02
Expenditure in Foreign Currency		
Travelling	49.10	52.03
Commission on export Sales. (excluding Rs.105.32 Lakh (Previous year Rs. 165.23 Lakh ) paid to Iran in INR)	27.02	103.57
Interest & Other Charges	82.77	68.16
Earnings in Foreign Currency		
FOB value of exports (excluding Rs.11372.08 Lakh (Previous year Rs. 9591.52 Lakh ) export to Iran in INR)	612.89	6,095.20



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42 Figures for the previous period have been regrouped / rearranged wherever considered necessary.  
As per our report of even date annexed

**For Suresh Kumar Mittal & Co.,**  
Chartered Accountants  
Registration No. 500063N

**Ankur Bagla**  
Partner  
Membership No. 521915

Place : New Delhi  
Dated : 29th May, 2018

**Rakesh Mundra**  
Director (Finance) & Company Secretary  
DIN : 00005550

**S.C.Malik**  
Director  
DIN : 00107170

**S. Sathyamoorthy**  
Director  
DIN : 00459731

**Vineet Jain**  
Managing Director  
DIN : 00107149

**Deveshwar Kumar Kapila**  
Director  
DIN : 00030614

**Soma Garg**  
Director  
DIN : 01344773



## Pasupati Acrylon Limited

**Registered Office :** Thakurdwara, Kashipur Road, Distt. Moradabad, Uttar Pradesh - 244 601

### Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration) Rules, 2014]

Name of the Member(s)			
Registered Address			
E-mail Id			
Folio No /Client ID		DP ID	

I/We, being the member(s) of \_\_\_\_\_ shares of PasupatiAcrylon Ltd. hereby appoint :

1.	Name :			
	Address:			
	E-mail ID		Signature	
	or failing him			
2.	Name :			
	Address:			
	E-mail ID		Signature	
	or failing him			
3.	Name :			
	Address:			
	E-mail ID		Signature	
	or failing him			

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 35<sup>th</sup>Annual General Meeting of the company, to be held on the 27<sup>th</sup> day of September 2018 at 10.00 a.m. at Thakurdwara, Kashipur Road, Distt. Moradabad (U.P) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(S)	Vote	
		For	Against
<b>ORDINARY BUSINESS</b>			
1.	Adoption of Financials for the year ended 31 <sup>st</sup> March 2018.		
2.	Re-appointment of Mr. Vineet Jain, Director who retires by rotation.		
3.	Ratification of appointment of Statutory Auditors and fixation of their remuneration.		
<b>SPECIAL BUSINESS</b>			
4.	Appointment of Mr. Satya Prakash Gupta as a Additional Director.		
5.	Appointment of Mr. Satya Prakash Gupta as Whole-time Director designated as Director (Operations)		
6.	Remuneration payable to Cost Auditors.		

\*Applicable for investors holding shares in Electronic form.

Signed this _____ day of _____ 2018	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <i>Affix a Fifteen Paise Revenue Stamp</i> </div>
Signature of the Shareholder: _____	
Signature of the Proxy Holder(s): _____	

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company.



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## Pasupati Acrylon Limited

**Registered Office :** Thakurdwara, Kashipur Road, Distt. Moradabad, Uttar Pradesh - 244 601

### ATTENDANCE SLIP

**Thirty Fifth Annual General Meeting on Thursday, 27<sup>th</sup> September, 2018 at 10.00 A.M.**

Name of Member (IN BLOCK LETTERS).....

Name of Proxy (IN BLOCK LETTERS ) .....

(Name of the Proxy to be filled in if the proxy attends instead of the Member)

No. of Shares held .....

I / we hereby record my / our presence at the Thirty Fifth Annual General Meeting of the Company held at Kashipur Road, Thakurdwara – 244 601, Distt. Moradabad (U.P).

Member's / Proxy's Signature

Note :

1. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

**COURIER**

*IF UNDELIVERED PLEASE RETURN TO*



**PASUPATI ACRYLON LTD.**

*Corporate Office*

M-14, Connaught Circus, (Middle Circle), New Delhi-110 001 (INDIA)

Delhi Press, New Delhi