



ANNUAL REPORT 2020-2021

PASUPATI ACRYLON LIMITED

BOARD OF DIRECTORS

Managing Director

Mr. Vineet Jain

Directors

Mr. D. K. Kapila – Independent Director

Mr. S.C. Malik – Independent Director

Mr. S. Sathyamoorthy – Independent Director

Mrs. Kamlesh Gupta – Independent Director

Mr. Satya Prakash Gupta (Director Operations)

Chief Financial Officer

Mr. Satish Kumar Bansal

Company Secretary

Mr. Bharat Kapoor

Auditors

M/s. Suresh Kumar Mittal & Co.

Chartered Accountants

New Delhi

Bankers

Indian 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

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: helpdeskreply@mcsregistrars.com

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NOTICE



Notice is hereby given that the 38th Annual General Meeting of the Shareholders of Pasupati Acrylon Limited will be held on Tuesday, the 28th day of September 2021 at 10:00 A.M. through Video Conferencing(VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satya Prakash Gupta (DIN- 00509809), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To Re-appoint Mr. Satya Prakash Gupta (DIN 00509809) as Whole Time Director of the Company for a period of three years and approve his remuneration.**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the rules made there under and Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and as recommended and approved by the Nomination & Remuneration Committee and Board of Directors in their respective meeting held on 28th June, 2021 and subject to other requisite approvals, consent and permission as may be required from time to time, the consent of the shareholders of the Company be and is hereby accorded to the re- appointment of Mr. Satya Prakash Gupta (DIN 00509809) as Whole Time Director designated as Director (Operations) of the Company for a further period of three years with retrospective effect from 29th May, 2021 to 28th May, 2024 and fixation of his remuneration for the aforesaid period on the terms and conditions including remuneration as set out in the statement annexed to the notice convening this meeting with liberty to the Board of Directors/Nomination & Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as it may deem fit and as may be acceptable to Mr. Satya Prakash Gupta within the overall limits as specified in Section 197 read with Schedule V of the Companies Act, 2013, without any further reference to shareholders in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) and/or Key Managerial Personnel of the Company be and are hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary, proper and expedient for the purpose of giving effect to the above resolution.”

4. **Ratification of remuneration of Cost Auditors**

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 (3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration amounting to Rs. 45,000/- (Rupees Forty Five Thousands Only) plus applicable taxes and reimbursement of out of pocket expenses, if any, payable to Mr. Satnam Singh Saggi, Cost Accountant, (Membership No.M-10555), who was appointed as Cost Auditor by the Board of Directors of the Company on the recommendation of Audit Committee to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) and/or Key Managerial Personnel of the Company be and are hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary, proper and expedient for the purpose of giving effect to the above resolution.”

By order of the Board
For PASUPATI ACRYLON LIMITED

Place : New Delhi
Date : 28th June, 2021
Registered Office
Village Thakurdwara, Kashipur Road
Distt. Moradabad, Uttar Pradesh-244601

Bharat Kapoor
Company Secretary
ACS-54267

NOTICE (Contd.)



Notes:

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and therefore, Ministry of Corporate Affairs has, vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No 20/2020 dated 5th May, 2020 read with General Circular No. 02/2021 dated 13th January, 2021 (collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Shareholders at a common venue. Securities and Exchange Board of India ("SEBI") vide its circular dated January 15, 2021 read with circular dated May 12, 2020 ("SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders for general meetings held through electronic mode.

In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and aforesaid MCA Circulars and SEBI Circulars, the 38th AGM of the Shareholders of the Company is being held through VC or OAVM. Hence, Shareholders can attend and participate in the AGM through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at Village Thakurdwara, Kashipur Road, Distt. Moradabad (U.P.).
2. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of the Shareholders has been dispensed with. Accordingly, in line with the aforesaid MCA Circulars and SEBI Circulars, the facility for appointment of proxies by the Shareholders will not be available for this AGM and hence, the Proxy Form and Attendance Slips including Route Map are not annexed to the notice.
3. Shareholders can join the 38th AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM is restricted upto 1000 Shareholders on "first come first serve" basis. However, the participation of Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee and Stakeholders Relationship Committee, Auditors etc. is not restricted on first come first serve basis.
4. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Institutional/Corporate Shareholders intending to allow their authorized representatives to attend the AGM through VC/OAVM are requested to send a certified copy of its Board/governing body Resolution/Authorization etc. authorizing their representative to attend and vote on their behalf at the Meeting, by email at palsecretarial@gmail.com or helpdeskreply@mcsregistrars.com, before e-voting/attending AGM.
6. Explanatory Statement setting out all material facts regarding Special Business contained in Item Nos. 3 & 4, as required under Section 102 (1) of the Companies Act, 2013, is annexed hereto. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated 5th May, 2020, the matters of Special Business as appearing at Item Nos. 3 & 4 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
7. Brief details of Director proposed to be appointed/re-appointed/continued as Director as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, are furnished in "Annexure- 1" to this Notice.
8. The Register of Shareholders and Share Transfer Books of the Company will remain closed from Wednesday, the 22nd September, 2021 to Tuesday, the 28th September, 2021 (both days inclusive) for the purpose of this Annual General Meeting.
9. In view of resultant difficulties involved in dispatching of physical copies of the Annual Report due to COVID-19 pandemic and in line with the aforesaid MCA Circulars and SEBI Circulars, Notice of the 38th AGM alongwith Annual Report for the financial year 2020-21 are being sent only through electronic mode to those shareholders whose email addresses are registered with the Company / Depository Participant(s)/RTA. Notice of 38th AGM and Annual Report for the financial year 2020-21 will also be available on the Company's website www.pasupatiacrylon.com, website of BSE Limited www.bseindia.com and website of CDSL www.evotingindia.com.
10. Shareholders holding shares physically, who have not registered their email address with the Company, can get the same registered with the Company by sending an email to palsecretarial@gmail.com mentioning the Folio No., name and address along with scanned copy of the share certificate (front/ back), self-attested copy of the PAN card, and self-attested copy of any document in support of the address of the Shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.
11. A person, whose name is recorded in the register of Shareholders or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 21st September, 2021 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
12. Investors who become shareholders of the Company subsequent to the mail of the Notice and holds the shares as on the cut-off date i.e. 21st September, 2021, are requested to write to the Company at palsecretarial@gmail.com and to the RTA at



NOTICE (Contd.)

helpdeskreply@mcsregistrars.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

13. Voting rights of the Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 21st September, 2021.
14. In case of joint holders, the Shareholder whose name appears as the first holder in the order of names as per the Register of Shareholders of the Company will be entitled to vote electronically during the AGM.
15. Register of Directors and Key Managerial Personnel & their shareholding and Register of Contracts or Arrangements and all other documents referred in the accompanying notice will be available for inspection in electronic mode. Shareholders can inspect the same by sending an email to palsecretarial@gmail.com.
16. Pursuant to the provisions of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed company can be transferred only in dematerialised form w.e.f. 1st April 2019. Shareholders are advised to convert their physical holdings into demat form to avail various benefits of dematerialization.
17. SEBI has mandated registration of Permanent Account Number (PAN) and bank account details for all securities holders. Shareholders holding shares in physical form are requested to submit their PAN and Bank Account details and intimate any change of address to company or its RTA. Members holding shares in electronic form are requested to submit the aforesaid information to their respective Depository Participant.
18. M/s Suresh Kumar Mittal & Co., Chartered Accountants (Firm Registration No.500063N) have been appointed as Statutory Auditors of the Company at the AGM held on September 27, 2017 to hold office for a period of 5 years till the conclusion of the 39th AGM subject to the ratification of their appointment by the Shareholders at every AGM. In terms of Section 139 of the Act as amended by the Companies (Amendment) Act, 2017, appointment of Auditors is not required to be ratified at every AGM w.e.f May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at 38th AGM. The Auditors have confirmed that they continue to fulfil the criteria for appointment as Auditor of the Company as prescribed under the Act and the Rules framed there under.
19. The Company has appointed M/s. S.K. Hota & Associates, Practicing Company Secretaries (Membership No.16165, Certificate No.6425) as Scrutinizer for conducting the Remote e-voting process and e-voting during AGM in a fair and transparent manner.
20. The scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter, shall unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. He shall submit a consolidated report of the total votes cast in favour or against, within two working days of the conclusion of AGM, to the Managing Director or a person authorized by him.
21. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pasupatiacrylon.com and on the website of CDSL. The Company shall simultaneously submit the results to BSE Limited.
22. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the aforesaid MCA Circulars, the Company is providing the facility of remote e-voting to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorised e-voting's agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of AGM will be provided by CDSL.
23. **The instructions for shareholders for e-voting and joining virtual meeting are as under:**
 - (i) The remote e-voting period begins on 25th September, 2021 (10:00 AM) and ends on 27th September, 2021 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2021 may cast their vote electronically. The remote 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) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the E-voting Service Providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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(iv) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> (1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. (2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting his/her vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. (3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration (4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> (1) If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp (3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.:18001020990 and 1800224430

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- (1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (2) Click on "Shareholders" module.
 - (3) 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) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - (4) Next enter the Image Verification as displayed and Click on Login.
 - (5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (6) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence No. / Folio No. in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. • 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).

- (vi) After entering these details appropriately, click on **"SUBMIT"** tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders 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.
- (viii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the **EVSN** of **"Pasupati Acrylon Limited"** on which you choose to vote.
- (x) 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.
- (xi) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.



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- (xii) 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.
- (xiii) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xv) 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.**
- (xvi) **Additional facility for Non – Individual Shareholders and Custodians – for Remote voting only**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at cs_sushant@yahoo.co.in and to the Company at the email address viz; palsecretarial@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

24. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E- VOTING DURING AGM ARE AS UNDER:

- (i) The procedure for attending AGM and e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at palsecretarial@gmail.com . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at palsecretarial@gmail.com . These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
- (x) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

NOTICE (Contd.)

- (xi) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

25. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.
26. In case you have any queries or issues regarding attending AGM or e-voting from the CDSL e-voting system, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com, Phone : 1800225533 or contact at 022-23058738 and 022- 23058542/43.
27. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058542/43.

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

ITEM NO. 3

Mr. Satya Prakash Gupta was appointed as Director (Operations) at 35th Annual General Meeting held on 27th September, 2018 for a period of three years w.e.f 29th May, 2018. The present term of Mr. Satya Prakash Gupta expired on 28th May, 2021.

Mr. Satya Prakash Gupta is a chemical engineer and is having industry experience of about 40 years. Considering the vast experience, knowledge and the possession of relevant expertise by Mr. Satya Prakash Gupta, the Board of Directors and Nomination & Remuneration Committee are of the opinion that their continued association would be of immense benefit to the Company.

Accordingly, the Board of Directors of the Company, at its meeting held on 28th June, 2021, re-appointed Mr. Satya Prakash Gupta for a further period of three years with retrospective effect from 29th May, 2021, subject to approval of the shareholders, on the terms and conditions including remuneration, in accordance with norms laid down in Schedule V and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

The broad particulars of terms and conditions of the re-appointment of Mr. Satya Prakash Gupta are as under:

Remuneration, benefits and perquisites:

I. Tenure:	For a period of three years w.e.f. 29th May, 2021
II. Basic Salary:	Rs. 1,68,000 – 9,000 – Rs. 1,86,000 per month
III. Allowances/perquisites:	
(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. 40,000/- per annum
(f) Contribution to Provident Fund:	Provident Fund will be as per statutory provisions
(g) Gratuity:	As per applicable provisions of Payment of Gratuity Act
(h) Encashment of Leave:	As per rules of the Company

Explanation:

The perquisites shall be valued in terms of actual expenditure incurred by the Company and shall be evaluated wherever applicable as per Income Tax Act, 1961 or rules made thereunder and any modification thereof.



NOTICE (Contd.)

IV. 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 read with Schedule V of the Companies Act, 2013.

V 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 29.05.2021, the Company will, subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

VI. Others:

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 three month's prior notice of termination in writing to the other party.

Brief details of Mr. Satya Prakash Gupta, as required under Regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and the Secretarial Standards on General Meetings, are furnished in Annexure – I to this Notice.

Mr. Satya Prakash Gupta being appointee or his relatives to the extent of his shareholding, may be deemed to be interested in his re-appointment. Save and except above, none of the Directors/Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolutions.

The Board recommends the Special Resolutions set out at Items No. 3 of the accompanying Notice for the approval of the Shareholders of the Company.

ITEM NO. 4

The Board of Directors of the Company at its meeting held on 28th June, 2021, based on the recommendation of the Audit Committee, approved the appointment of Mr. Satnam Singh Saggi, Cost Accountant (Membership No. M-10555) as Cost Auditor to the Company to conduct audit of cost accounting records for the financial year ending on 31st March, 2022 at a remuneration of Rs. 45,000/- (Rupees Forty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, if any, incurred in connection with the cost audit.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration, as approved by the Board of Directors of the Company, is required to be subsequently ratified by the Shareholders of the Company.

Accordingly, consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 4 of this Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2022.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommends the Ordinary Resolution set forth in Item No. 4 of the accompanying Notice for the approval of the Shareholders of the Company.

By order of the Board
For PASUPATI ACRYLON LIMITED

Place : New Delhi
Date : 28th June, 2021
Registered Office
Village Thakurdwara, Kashipur Road
Distt. Moradabad, Uttar Pradesh-244601

Bharat Kapoor
Company Secretary
ACS -54267

Annexure-1

Details of Directors proposed to be appointed/re-appointed/continued as Director as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings.

Name of the Director	Mr. Satya PRakash
DIN	00509809
Age	67
Qualifications	B.Sc. (Engineering)
Date of first appointment on the Board	29th May, 2018
Brief resume and Nature of Expertise in specific functions	Mr. Satya Prakash Gupta is a chemical engineer and is having experience of about 40 years in the industry.
Shareholding in the Company	23,895 equity Shares (0.03%)
Last Drawn Remuneration	Rs. 24,30,118/-
Relationship with other directors or key managerial personnel of the Company	None
Directorship in other companies as on 31.03.2021	(i) Pasupati Advanced Films Private Limited (ii) Multimax Overdues Legal Solutions Private Limited
Membership/Chairmanship in committees of other Board	Nil
Number of meeting of the Board attended during the year	4

BOARD'S REPORT



To the Members

Your Directors have pleasure in presenting Thirty Eighth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2021.

FINANCIAL RESULTS

A brief on the financial performance during the year under review as compared to the previous year is given below:-

Particulars	(Rs. in Lakhs)	
	2020-21	2019-20
Revenue from Operations	50,544.66	66,364.36
Other Income	878.08	644.39
Profit before Interest & Depreciation	6,856.38	3,203.96
Finance Cost	377.65	498.96
Depreciation	625.56	665.54
Profit before Taxes	5,853.17	2,039.46
Tax Expenses for the year	1,548.32	734.50
Profit after Taxes	4,304.85	1,304.96
Total Comprehensive Income	4351.66	1,324.52

COVID-19

The outbreak of COVID-19 pandemic slowed global economic activity. The Indian economy witnessed an exogenous shock in the form of the COVID-19 pandemic since the start of the last fiscal year. In view of the lockdown across the County due to COVID-19 pandemic, operations of the Company were suspended temporarily during March, 2020 to May, 2020 which impacted the overall business activities of the Company. COVID-19 had impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. However, towards the second half of the year under review, the scenario improved significantly.

There remained uncertainties on how this pandemic situation will evolve, and that remains a risk for the Company. These include risks related to employee safety, supply chain, customers, business development efforts and cash flows of the Company.

The Company's management has made assessment of likely impact of COVID-19 on the business of the Company and assessment of its liquidity position and has prepared future cash flow projections and also assessed the recoverability of its assets and factored assumptions used in the annual impairment assessment of its cash generating units, using various internal and external information. The Company continued to closely monitor any material changes arising of future economic conditions and impact on its business.

Due to the Company's zeal and commitment, business activities returned to normalcy and the Company has witnessed gradual recovery in its business.

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Despite overwhelming business challenges, the Company is focused on maintaining the growth momentum. Due to COVID-19, though top line and profits declined in the first half of FY21, we were able to reverse this trend and achieved healthy growth and margin by the fourth quarter.

Due to COVID-19 pandemic, The Company has recorded production of 29,826 MT and Sale of 31,335 MT during the year under review, as against production of 41,250 MT and Sale of 38,771 MT respectively during the previous year. During the year under review, sales volume came down because of negative sentiments of COVID-19 since last year and lockdown announced during the last week of March, 2020 till May, 2020 affected entire first quarter adversely.

Despite a decline in revenue, the Company reported EBIDTA in financial year 2020-21 is Rs. 6,856.38 Lakh as against Rs. 3,203.96 Lakh in the previous financial year and Net Profit in the financial year 2020-21 is Rs. 4,304.85 Lakh as against to Rs. 1,304.96 Lakh in the previous financial year.

Despite of various challenges such as volatility in raw material prices, dumping of acrylic fibre by Turkey, China and Belarus, foreign exchange fluctuations, the Company's performance has been good.

BOARD'S REPORT (Contd.)



In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements of the Company are available on website of the Company www.pasupatiacrylon.com.

INTEGRATED CPP FILM PROJECT

The production capacity to produce CPP film is 10000 MT PA. During the year under review, the Company produced 3,757 MT and sold 3,868 MT as against production of 4,531 MT and sale of 4,420 MT respectively during the previous year. The Company expects that this segment shall do better during the FY 2021-22 as the demand of CPP Films is on the rise and product of the company is well accepted in market.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ACRYLIC FIBRE

(a) Industry Structure and Development

The Demand of Acrylic Fibre during the year was subdued consequently company's production fallen to 29,826 MT from 41,250 MT and sales were down to 31,335 MT from 38,771 MT. During the year exports has also fallen, company's exports is 6,549 MT as compared to last year's exports 12,062 MT due to negative sentiments of COVID-19 .

(b) Opportunities and Threat

The raw material to produce Acrylic Fibre is crude derived. The movement in crude affects the raw material prices to some extent, during the year the crude prices remained volatile, it moved in a band of 32-65 USD a barrel, so as the A C N prices. 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) Segment-wise / Product-wise performance

Segment wise/product wise performance is given in the financial statements.

(d) Risk and Concern

The onset of multiple waves of COVID-19 in almost all geographies and renewed lockdown and restrictions on movement of people imposed by the government in various parts of the world might prove detrimental to growth estimates.

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. During the year company's export was around 21%.

CPP FILM

(a) Industry Structure and Development

There is intense competition among CPP Film manufacturers in the country. The Company has installed European machinery which shall ensure quality product giving edge over other producers. The global CPP Film Market is anticipated to rise at a considerable rate during the forecast period, between 2021 and 2027. In 2021, the market was growing at a steady rate and with the rising adoption of strategies by key players, the market is expected to rise over the projected horizon.

(b) Opportunities and Threat

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

(c) Segment-wise / Product-wise performance

Segment wise/product wise performance is given in the financial statements.

(d) 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 has entered into long term contracts with suppliers.

SUBSIDIARY COMPANIES

As on 31st March, 2021, the Company does not have any subsidiary, associate or joint venture company.

TRANSFER OF RESERVES

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.



BOARD'S REPORT (Contd.)

DIVIDEND

The Board of Directors decided to plough back the earnings to strengthen the financials of the Company and not to recommend dividend for the year under review.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there is no change in the nature of the business of the company.

SHARE CAPITAL

As on 31st March, 2021, the Company's issued and paid up capital stands Rs. 89,13,31,210/- divided into 8,91,33,121 fully paid up equity shares of Rs. 10/- each. During the year under review, the Company has not issued any share. Further the Company has also not issued any share with differential Voting Rights/Sweat Equity shares/under Stock Option Scheme (ESOS) earlier and during the year. The Company has no scheme or provision of money for purchase of its own shares by employees or by trustees, for the benefit of its employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

DIRECTORS

In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mr. Satya Prakash Gupta, Director (Operations) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. In the opinion of the Board, he possesses the requisite expertise, integrity and experience for re-appointment. The Board recommends his re-appointment and resolutions seeking shareholders' approval for his re- appointment form part of the AGM Notice.

During the year under review, the Board of Directors, on the recommendation of Nomination & Remuneration Committee, has appointed Mrs. Kamlesh Gupta as Independent Woman Director w.e.f 27th July, 2020 to fill the casual vacancy caused due to death of Smt. Remmy Jain and subsequently, her appointment has been approved by the shareholders at 37th Annual General Meeting held on 29th September, 2020.

Mr. Deveshwer Kumar Kapila, Mr. S.C. Malik, Mr. S. Sathyamoorthy and Mrs. Kamlesh Gupta are Independent Directors of the Company.

KEY MANAGERIAL PERSONNEL

As on 31st March, 2021, the Company had the following Whole-time Key Managerial Personnel (KMPs) in accordance with the provisions of Section 203 of the Companies Act, 2013:

1. Mr. Vineet Jain– Managing Director
2. Mr. Satya Prakash Gupta–Director (Operations)
3. Mr. Satish Kumar Bansal- Chief Financial Officer
4. Mr. Bharat Kapoor – Company Secretary

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI Listing Regulations stating that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the independent directors of the Company are registered and are members of Independent Directors Databank maintained by Indian Institute of Corporate Affairs. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

MEETINGS OF THE BOARD

During the year under review, four meetings of the Board of Directors were held. The details of Board Meetings are set out in Corporate Governance Report which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of

BOARD'S REPORT (Contd.)



Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is available on the website of the Company www.pasupatiacrylon.com.

BOARD EVALUATION

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors ("Performance Evaluation") which include criteria for performance evaluation of non-executive directors and executive directors as laid down by the Nomination and Remuneration Committee and the Board of Directors of the Company. It covers the areas relevant to the functioning as Independent Directors or other directors, member of the Board or Committee of the Board.

In terms of the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Nomination & Remuneration Committee has carried out an annual performance evaluation of Board of Directors, of Board's committees and of each Board Member individually.

The performance of the committees was evaluated by the Nomination & Remuneration Committee after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The performance of the Board was evaluated on the basis of various criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of laid down criteria.

Independent Directors of the Company had, in their separate meeting held on November 12, 2020, reviewed the performance of non-independent directors, the Board as a whole and Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.

Further, the Independent Directors hold unanimous opinion that the Non-Independent Directors as well as the Chairman bring to the Board, abundant knowledge in their respective field and are experts in their areas. Besides, they are insightful, convincing, astute, with a keen sense of observation and have a deep knowledge of industry. They have been performing reasonably well, under the prevailing circumstances.

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, 2021; 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 31st March, 2021 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 SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. A separate report on Corporate Governance, forming part of the Annual Report of the Company is annexed hereto.

SECRETARIAL STANDARDS

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.



BOARD'S REPORT (Contd.)

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In compliance with the provisions of the Act and SEBI Listing Regulations, 2015, all related party transactions are placed before the Audit Committee for prior approval and also before the Board wherever necessary.

During the year under review, all Contracts/arrangements/transactions entered into by the Company with related parties were on an arm's length basis. None of the transactions with any of the related parties were in conflict with your company's interest. All related parties transactions are disclosed in Note No. 36 of the Financial Statements forming part of this Annual Report.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of contracts or arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is appended as Annexure-I to the Board's Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE DATE OF BOARD REPORT AND END OF FINANCIAL YEAR

There is no such material change and commitment affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of this report.

DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE

The Company has in place a Policy for prevention of sexual harassment at the workplace in line with the requirements of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress complaints regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints on issues covered by the above act were received during the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS/TRIBUNALS

During the year under review, there are no significant or material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors has constituted the Corporate Social Responsibility Committee (CSR Committee). The said Committee has been entrusted with the responsibility of recommending to the Board about the activities to be undertaken by the Company for CSR purpose, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR activities. The CSR policy is available on the Company's website www.pasupatiacrylon.com.

During the year under review, the Company has spent Rs. 115 Lakh on CSR activities against its obligation of Rs. 71.47 Lakh. The short fall of Rs. 42.24 Lakh related to the FY 2019-20 has been made good in the year under review.

The disclosures related to CSR activities pursuant to section 134(3) of the Companies Act 2013, read with Rule 9 of Companies (Accounts) Rules, 2014 and Rule 8 of Companies (Corporate Social Responsibility) Rules 2014 are annexed hereto and form part of this report as Annexure- II.

RISK MANAGEMENT

The Board of Directors has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board to oversee and approve 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.

Risk Management Policy enables the Company to proactively manage uncertainties and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. The Company has laid down a Risk Management Policy, which is reviewed by the Risk Management Committee, and approved by the Board. The Risk Management Policy has also been hosted on the website of the Company www.pasupatiacrylon.com.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditors

M/s Suresh Kumar Mittal & Co., Chartered Accountants (Firm Registration No.500063N) were appointed as Statutory Auditors of the Company at the AGM held on September 27,2017 for a period of 5 years till the conclusion of the 39th AGM subject to the ratification of

BOARD'S REPORT (Contd.)



their appointment by the members at every AGM. In terms of Section 139 of the Act as amended by the Companies (Amendment) Act, 2017, appointment of Auditors is not required to be ratified at every AGM w.e.f May 7, 2018. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought. The Auditors have confirmed that they continue to fulfil the criteria for appointment as Auditor of the Company as prescribed under the Act and the Rules framed there under.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. During the year under review, the Statutory Auditors has not found any instance of fraud committed against the Company by its officers or employees and accordingly, reporting to the audit committee or Central Government, under Section 143 (12) of the Companies Act, 2013 is not required. The Auditors' report does not contain any qualification, reservation or adverse remark.

Cost Auditor

Pursuant to Section 148(1) and other applicable provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records is required by the Company and accordingly, such accounts and records are made and maintained. 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 Mr. Satnam Singh Saggu, Cost Accountants as Cost Auditors of your company for the Financial Year 2021-22 to carry out the cost audit for the applicable business on a remuneration of Rs. 45000/- (Rupees forty five thousand only) plus applicable taxes and reimbursement of out of pocket expenses. A certificate from Mr. Satnam Sigh Saggu, 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 (FCS No. 3440), to undertake Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the Financial Year ended 31st March 2021 is annexed herewith to this Report as Annexure - III. The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Internal Auditor

Pursuant to provisions of Section 138 of the Companies Act, 2013 M/s. Jinender Jain & Company, Chartered Accountants, New Delhi, Internal Auditors of the Company have conducted internal audit of the functions and activities of the Company and effectiveness of Internal Control Systems of the Company during Financial Year 2020-21.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company remains committed to improve the effectiveness of internal financial controls and processes which would help in efficient conduct of its business operations, ensure security to its assets and timely preparation of reliable financial information.

The internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors.

The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The internal control is supplemented by an extensive program of internal, external audits and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The Board of Directors has adopted policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Statutory Auditors and the Internal Auditors are inter alia, invited to attend the Audit Committee Meetings and present their observations on adequacy of internal financial controls and the steps required to bridge gaps, if any.

BOARD'S REPORT (Contd.)



DISCLOSURES:

Audit Committee

Audit Committee of the Board has been constituted as per the SEBI Listing Regulations and section 177 of the Companies Act, 2013. The composition and other details of the Audit Committee are provided in Corporate Governance Report which is part of this Report. All recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has framed and implemented a vigil mechanism named as Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, in terms of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, 2015. The details of the Whistle Blower Policy are provided in the Corporate Governance Report and also posted on the website of the Company www.pasupatiacrylon.com.

Particulars of Loans , Investments, Guarantees.

Particulars of Loans given, Investments made, Guarantees given and Securities provided as per Section 186 of the Companies Act, 2013 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.

The information as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is set out in the Annexure – IV to this Report.

Annual Return

Pursuant to the provisions of Section 92(3) read with Section 134 (3) (a) of Companies Act 2013, the annual return as on 31st March, 2021 is available on the website of the Company at <http://pasupatiacrylon.com/investors/annual-other-reports#documents>

Particulars of Employees

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is attached as Annexure - V.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, in terms of first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said annexure is open for inspection at the Registered Office of the Company during business hours on all working days, 21 days before the Annual General Meeting. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

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.

DEPOSITS

The Company has not accepted or renewed any deposit during the year under review and there are no outstanding and/or overdue deposits as at 31st March, 2021.

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

Satya Prakash Gupta
Director (Operations)
(DIN : 00509809)

Vineet Jain
Managing Director
(DIN : 00107149)

Place : New Delhi
Date : 28th June, 2021

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.
2. Contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis are as follows:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / - arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, - if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Justification for entering into contracts
1	Mr. Vineet Jain Managing Director of the Company	Purchase of vehicle from Mr. Vineet Jain	One time transaction	Purchase of personal vehicle- Maruti Ertiga VDI Smart Hybrid 2017 Model owned by Mr. Vineet Jain at Rs. 6.50 Lakh	10th February, 2021	NIL	The Company has purchased personal vehicle – Maruti Ertiga VDI Smart Hybrid 2017 Model owned by Mr. Vineet Jain, Managing Director of the Company, at Rs. 6.50 Lakh. The price is determined based on the invited market quotations and accordingly, the transaction is on arm's length basis.

ANNEXURE II**Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2020-21**

[Pursuant to Section 135 of the Companies Act, 2013, as amended read with Notification issued by the Ministry of Corporate Affairs dated the 22nd of January, 2021 & Rules made thereunder]

1. Brief Outline On CSR Policy Of The Company:

The Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company strives to positively impact the community by promoting inclusive growth in the areas of education, art, healthcare, sports, environmental sustainability and conservation etc. The Company's focus areas are concentrated on increasing access to health, education, rural development, environment sustainability, community development and holistic development with a focus on underprivileged people living around its manufacturing units and other establishments. The Company's CSR Policy also focuses on leveraging the full range of the Company's resources to broaden access to the basic facilities for the underserved population. The Company also partners with non-government organizations (NGOs) to make a difference among local communities. The Company's focus has always been to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations. This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the society. The Company's revised CSR policy is placed on its website www.pasupatiacrylon.com.

2. Composition Of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S.C. Malik	Chairman (Independent Director)	3	3
2	Mr. Vineet Jain	Member (Executive Managing Director)	3	3
3	Mr. Satya Prakash Gupta	Member (Wholetime Director)	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- (i) Composition of CSR Committee: <http://pasupatiacrylon.com/investors/composition-of-various-committees-of-board-of-dire#details>
(ii) CSR Policy: <http://pasupatiacrylon.com/investors/policies#documents>
(iii) CSR Projects approved by the Board: <http://pasupatiacrylon.com/investors/disclosures#documents>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No	Financial Year	Amount available for set-off from preceding financial year	Amount required to be set-off for the financial year, if any
Nil			

6. Average net profit of the company as per section 135(5) – Rs. 3,573.29 Lakh**7. (a) Two percent of average net profit of the company as per section 135(5) – Rs. 71.47 Lakh**

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil

BOARD'S REPORT (Contd.)



- (c) Amount required to be set off for the financial year, if any – Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c). – Rs. 71.47 Lakh

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 115.00 Lakh	Nil				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Nil												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs. in Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Enhancing academic facilities for students	Promoting Education – Schedule VII (ii)	Yes	Delhi	Delhi	50.00	No	Maharaja Agrasen Technical Education Society, Punjabi Bagh, New Delhi	

BOARD'S REPORT (Contd.)



(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (Rs. in Lakh)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing	
				State	District			Name	CSR Registration number
2	Development of new skills and use of technology in teaching & research	Promoting Education – Schedule VII (ii)	No	Chhattisgarh	Raipur	20.00	No	Bhagawan Sri Bala Sai Educational And Charitable Society, Raipur (C.G.)	
3	Infrastructure Development	Promoting Education – Schedule VII (ii)	Yes	Uttar Pradesh	Aligarh	45.00	No	Mangalayan University, Aligarh (U.P.)	
Total						115.00			

- (d) Amount spent in administrative overheads – Nil
(e) Amount spent on Impact Assessment, if applicable – Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 115 Lakh
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. In Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	71.47
(ii)	Total amount spent for the Financial Year	72.76
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.29
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	–
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.29

BOARD'S REPORT (Contd.)



9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (Rs. in Lakh)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (Rs. In Lakh)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2019-20	Nil	42.24	Not Applicable			Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). - Nil

- Date of creation or acquisition of the capital asset(s). – Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset. – Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not Applicable

S.C. Malik
Independent Director &
Chairman of CSR Committee

Vineet Jain
Managing Director &
Member of CSR Committee

Place : New Delhi
Date : 28th June, 2021

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31.03.2021

*[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 31.03.2021 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 31.03.2021 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (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, 2018;
- (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:

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) 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 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

BOARD'S REPORT (Contd.)



Independent Directors.

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: 28th June 2021

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

To,

'Annexure A'

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: 28th June 2021

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

ANNEXURE IV

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED MARCH 2021

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken during the period under report are as under:
 - (a) To control flue gas temperature precisely for improving the efficiency of the Boiler.
 - (b) To provide VFD in cooling water pump and optimise their pressure and flow.
 - (c) To provide high efficiency PHE in place of old Exchanger for reducing load of chilled water on coagulation bath.
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 : N.A.
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
 - If not fully absorbed, reason for & future action plan : NA
4. Expenditure on R&D:

(Rs. in Lakh)

S. No.	Particulars	2020-2021	2019-2020
i)	Capital	-	-
ii)	Recurring	27.99	36.50
iii)	Total	27.99	36.50
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 due to negative sentiments of COVID-19, Company's exports were 6,549 MT i.e. 21 % of total quantity sold as against 12,062 MT i.e. 31.00% of total quantity sold in previous year.

2. Total Foreign Exchange Used & Earned

(Rs.in Lakh)

Foreign Exchange Utilized		2020-2021	2019-2020
i)	Travelling	25.48	59.20
ii)	Interest & other charges	112.17	175.41
iii)	Commission on export sales	-	-
iv)	CIF Value of imports		
	- Raw Material	28,247.38	46,481.63
	- Stores and Spares	11.24	251.28
	- Capital Expenditure	621.74	244.58
Foreign Exchange Earned			
FOB Value of Exports (excluding Rs.8,352.47 Lakh, export to Iran in INR - (Previous year Rs.18,419.58 Lakh)		208.44	156.76

ANNEXURE V**PARTICULARS OF REMUNERATION OF DIRECTORS/KMP/EMPLOYEES**

- 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 2020-21	Percentage increase in Remuneration for Financial Year 2020-21	Ratio of Remuneration of each Director / KMP to the Median Remuneration of Employees
1.	Mr. Vineet Jain Managing Director	307.26	200.59	105.20
2.	Mr. Satya Prakash Gupta Director (Operations)	24.30	0.87	8.32
3.	Mr. S.C. Malik ¹ (Non-executive & Independent Director)	0.26	-36.59	0.09
4.	Mr. D K Kapila ¹ (Non-executive & Independent Director)	0.15	-11.76	0.05
5.	Mrs. Kamlesh Gupta ¹ (Non-executive & Independent Director)	0.12	-	0.04
6.	Mr. S. Sathyamoorthy ¹ (Non-executive & Independent Director)	0.15	25.00	0.05
7.	Mr. Satish Kumar Bansal ² Chief Financial Officer	17.59	4.45	6.02
8.	Mr. Bharat Kapoor ³ Company Secretary	6.65	-	2.28

Note: 1. Non-executive Directors do not draw any remuneration/commission other than sitting fees.

2. Remuneration of Mr. Satish Kumar Bansal is excluding LTA Reimbursement of Rs. 2,87,550/-

3. Mr. Bharat Kapoor was appointed as Company Secretary of the Company w.e.f 12th February, 2021.

- (b) The percentage increase in the Median Remuneration of Employees in the Financial Year 2020-21: of about 4.29%, reflecting an improvement in the overall employee pyramid.
- (c) The number of permanent employees on the rolls of the Company is 439 as on 31st March, 2021.
- (d) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year was about Nil.
- (e) It is hereby affirmed that the remuneration is as per the remuneration policy of the company.

{Pursuant to Regulation 34 read with Schedule V(C) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015}

1. Company's Philosophy

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. The Company's philosophy on Corporate Governance is aimed at conducting business ethically, efficiently and in a transparent manner, fulfilling its corporate responsibilities to various stakeholders retaining and enhancing investor trust. One of the principal pillars of this philosophy is to have a diverse Board with experts from various fields/industries optimizing the value addition. Over the years the company has been disclosing information concerning the performance and future prospects of the company in its Board's Report. The company is committed to comply with all statutory requirements in respect of Corporate Governance. The aim is to best align the interests of individual, company and society at large.

2. Board of Directors

The Board of Directors ('the Board') is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served.

(a) Composition and Category of Directors

The Board comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to maintain the independence of the Board. The Directors on the Board are professionals, having expertise in their respective functional areas and bring an extensive range of skills and experience to the Board.

Board consists of six directors. Out of the 6 Directors, two directors are Executive Directors including one promoter director (Managing Director) and four directors are Non-Executive Independent Directors including one woman independent director. Mr. Vineet Jain was the Chairman of all Board Meetings held during the financial year 2020-21.

The composition of Directors and also number of other directorships and Committee Memberships/Chairmanship held by them in other companies as on 31st March, 2021 are given below:

Sl. No.	Name of Director	Category of Directorship	No. of other Directorships	No. of Membership of other Committee(s)	Chairmanship of other Committee(s)	Directorship held in other Listed Cos. along with nature of Directorship
1	Mr. Vineet Jain	Managing Director & Executive Director (Promoter)	1	-	-	-
2	Mr. D K Kapila	Non-executive Independent Director	1	-	1	Budge Budge Company Limited – (Independent Director)
3	Mr.S.C.Malik	Non-executive Independent Director	-	-	-	-
4	Mr. S. Sathyamoorthy	Non-executive Independent Director	-	-	-	-
5	Mrs. Kamlesh Gupta*	Non-executive Independent Director	3	2	1	i. Marda Commercial & Holding Limited ii. Sai Capital Limited– (Independent Director)
6	Mr. Satya Prakash Gupta	Director (Operations) Executive Director	-	-	-	-

Note:

*Mrs. Kamlesh Gupta has been appointed w.e.f. 27th July, 2020 to fill the casual vacancy caused due to the sad demise of Mrs. Remy Jain on 29th February, 2020.

- There are no inter-se relationships amongst board members.
- In accordance with Regulation 26 (1) of SEBI Listing Regulations, memberships/chairmanship of only Audit Committees and Stakeholders Relationship Committees of all Indian Public Limited Companies (excluding Pasupati Acrylon Limited) have been considered.
- Directorships held by directors in other companies do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

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 Listing Regulations as on 31st March 2021. None of our Directors serves as Director in more than seven listed companies and none of the Executive Directors serve as an Independent Director in any listed company. Further, none of our Independent Director serves as Non-Independent Director of any company on the Board of which any of the Company's Non-Independent Director is an Independent Director. Further, none of the directors of the Company is a member of more than ten committees of Board and chairperson of more than five committee across all listed entities in which he is a director.

None of the Non-Executive Directors holds any share of the company. The Company has not issued any convertible instruments. The Board periodically reviews the compliance reports of all laws applicable to the Company.

(b) Board Meetings

The Board of Directors meets regularly to review strategic, operational and financial matters. The notice of the Board meeting is given well in advance to all the Directors. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable.

During the Financial Year 2020-21, Four (4) Board Meetings were held on 27th July, 2020, 4th September, 2020, 12th November, 2020 and 10th February, 2021 through video conferencing or other audio visual means. The maximum gap between any two consecutive Meetings did not exceed the number of days as stipulated by law in force.

Details of attendance of the directors at the Board Meetings held during the year 2020-21 and last Annual General Meeting are as under:

Sl.No	Name of Director	Category of Directorship	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM 29.09.2020
1	Mr.Vineet Jain	Managing Director & Executive Director (Promoter)	4	4	Yes
2	Mr. D K Kapila	Independent Director	4	4	Yes
3	Mr.S.C.Malik	Independent Director	4	4	No
4	Mr. S. Sathyamoorthy	Independent Director	4	4	No
5	Mr. SatyaPrakash Gupta	Director (Operations) Executive Director	4	4	Yes
6	Mrs. Kamlesh Gupta*	Independent Woman Director	4	4	Yes

* Mrs. Kamlesh Gupta has been appointed on 27th July, 2020 to fill the casual vacancy caused due to the sad demise of Mrs. Remy Jain on 29th February, 2020.

(c) Independent Director

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (as amended), all the Independent Directors of the Company are registered in the Independent Directors' data bank as maintained by "Indian Institute of Corporate Affairs".

Pursuant to Regulation 25 of Listing Regulations, the Company has in place a system to familiarize the Independent Directors about the Company, their roles, rights, 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 Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Senior management personnel of the Company make presentations to the Board Members on a periodically basis briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives etc. and seek their opinions and suggestions on the same. The policy and details of familiarization programme for Independent Directors is available on the Company's website. <http://pasupatiacrylon.com/investors/corporate-governance#documents>

In terms of Regulation 25(8) of Listing Regulations, Independent Directors have submitted the declaration that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

**(d) Separate meeting of Independent Directors:**

In accordance with Regulation 25(3) of Listing Regulations read with the provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held during the year on 12th November, 2020 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;
- Review of performance of Chairman of the Company taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All independent directors were present at the meeting through video conferencing. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board.

(e) Matrix of skills/expertise/ competence of Directors

The following core skills/ expertise/competencies have been identified by the Board as required in the context of its business and the sector in which the Company operates:

Leadership, Industry Expertise & Knowledge, Strategic Planning, Business Development & Administration, Plant Operations, Strategy & Risk Management, Technical Expertise, Finance & Accounting, Legal & Governance, Public Relations, Human Resource Management & Industrial Laws, Understanding of government legislation/legislative process, Finance & Accounting, Corporate Restructuring, Risk Management and Corporate Social Responsibility.

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, skills, expertise and professional competencies for effective contribution to the Board and its Committees.

Name of the Director	Skills/Expertise/Competencies
Mr. Vineet Jain – Managing Director	Leadership, Industry Expertise & Knowledge, Strategic Planning, Business Development & Administration
Mr. Satya Prakash Gupta – Director (Operations)	Plant Operations, Strategy & Risk Management, Technical Expertise
Mr. D.K. Kapila – Independent Director	Finance & Accounting, Legal & Governance, Public Relations
Mr. S. Sathyamoorthy – Independent Director	Human Resource Management & Industrial Laws, Understanding of government legislation/legislative process
Mr. S.C. Malik – Independent Director	Finance & Accounting, Corporate Restructuring, Risk Management, Corporate Social Responsibility
Mrs. Kamlesh Gupta – Independent Director	Finance & Accounting, Taxation

(f) Disclosure of Appointment/Re-appointment of Directors at the Annual General Meeting

In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mr. Satya Prakash Gupta, Director (Operations) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, Board of Directors, at its meeting held on 28th June, 2021, re-appointed Mr. Satya Prakash Gupta as Director (Operations) for a further period of three years w.e.f 29th May, 2021, subject to the approval of the shareholders at the ensuing Annual General Meeting and Mr. Gupta has submitted his consent for re- appointment as Director of the Company.

Mr. Satya Prakash Gupta is a Chemical Engineer and is having industry experience of about 40 years. Considering the vast experience, knowledge and the possession of relevant expertise by Mr. Satya Prakash Gupta, the Board recommends his re-appointment and resolutions seeking shareholders' approval for his re-appointment form part of the AGM Notice.

As per Regulation 36 of Listing Regulations, the brief details of the Mr. Satya Prakash Gupta are given in the notice of 38th Annual General Meeting.

3. Audit Committee

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Audit Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures.

(a) Terms of reference

The broad terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and to review with the management and/or Internal Auditor and/or Statutory Auditor, inter alia, in the following areas:



1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation to the Board for the appointment/re-appointment, remuneration and terms of appointment of the Statutory Auditors and Cost Auditor.
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
4. Reviewing, with the management, the quarterly financial results before submission to the Board for approval.
5. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
6. Approval or any subsequent modification of transactions of the Company with related parties.
7. Scrutiny of inter-corporate loans and investments, if any.
8. Valuation of undertakings or assets of the company, wherever it is necessary.
9. Evaluation of internal financial controls and risk management systems.
10. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
12. Discussion with internal auditors on any significant findings and follow up there on.
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
15. Reviewing the functioning of the Whistle Blower Mechanism.
16. Approval of appointment of CFO /Finance Director or any other person heading the finance function after assessing the qualifications, experience & background, etc. of the candidate.
17. Review of compliances with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Code.
18. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee mandatorily reviews:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management, if any.
3. Letters of internal control weaknesses issued by the statutory auditors.
4. Internal Audit Reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the internal auditor, statutory auditor and cost auditor.

(b) Composition, Meeting and Attendance

Audit Committee is constituted in line with the provisions of Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The members of the Audit Committee are financially literate and have experience in financial management. During the year under review, 4 meetings of Audit Committee were held on 27th July, 2020, 4th September, 2020, 12th November, 2020 and 10th February, 2021.

The Composition of the committee and attendance details of the members at these meetings for the year 2020-21 are given below:-

Sl.No.	Name of Member	Position in Committee	No. of Meetings Held	No of Meetings Attended
1	Mr. D. K. Kapila (Independent Director)	Chairman	4	4
2	Mr. S.C. Malik (Independent Director)	Member	4	4
3	Mr. S Sathyamoorthy (Independent Director)	Member	4	4
4	Mrs. Kamlesh Gupta (Independent Director)	Member	4	3
5	Mr. Satya Prakash Gupta (Whole-time Director)	Member	4	4

The Statutory Auditor, Internal Auditors, Chief Financial Officer and Cost Auditors also attend the meetings as invitees, whenever required to address concerns raised by the Committee members. The Company Secretary is in attendance at these meetings.

4. Nomination & Remuneration Committee

Nomination & Remuneration Committee is constituted in line with the provisions of Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

(a) Terms of Reference-

The terms of reference / powers of the Nomination & Remuneration Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and Senior Management Personnel or other employees.;
- Formulation of criteria for evaluation of performance of Independent Directors and Board;
- Devising a policy on diversity of Board of Directors;
- Recommend to the Board, appointment/re-appointment and removal of Director, KMP and Senior Management Personnel on the basis of performance and HR Policies/criteria defined in Nomination & Remuneration Policy;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board or by the Nomination and Remuneration Committee and review its implementation and compliance.
- Such other matters as per the requirement of Regulation 19 of the Listing Regulations and Companies Act, 2013.

The Board has adopted the Nomination & Remuneration Policy ("NRC Policy") for the functioning of the Committee. The NRC Policy of the Company applies to all future employment agreements with members of the Company's Senior Management including Key Managerial Personnel and Board of Directors. The policy is available on the website of the Company www.pasupatiacrylon.com.

(b) Composition, Meeting and Attendance

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors. During the year under review, one meeting of the Nomination & Remuneration Committee was held on 27th July, 2020. All the members of the Committee attended the meeting.

The details of the Composition and attendance of each member at this meeting for the year 2020-21 are given below:-

Sl.No.	Name of Member	Position in Committee	No. of Meetings Held	No of Meetings Attended
1	Mr. S.C. Malik (Independent Director)	Chairman	1	1
2	Mr. D K Kapila (Independent Director)	Member	1	1
3	Mr. S Sathyamoorthy (Independent Director)	Member	1	1

Performance Evaluation

In terms of the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Nomination & Remuneration Committee has carried out the annual performance evaluation of the Board, the Directors individually as well as the evaluation

of the working of Board Committees. The performance evaluation of the Board and its committees was conducted on the basis of functions, responsibilities, effectiveness, structure, competencies, strategy, independence and contribution, risk identification and its control, diversity, and nature of business. As required under Listing Regulations, the Company has formulated a policy on Appointment and Evaluation of Board of Directors, Key Managerial Personnel & Senior Management Personnel as defined under the Companies Act, 2013. This policy is available on the website of the Company <http://pasupatiacrylon.com/investors/policies#documents>.

(c) Criteria for performance evaluation of Independent Directors

The performance of Independent Directors is evaluated by the entire Board of Directors based on the following criteria and in the afore-said evaluation, the Directors who are subject to evaluation do not participate:

- i. Understanding duties, responsibilities and liabilities as a director;
- ii. Adequate qualifications and relevant experience in the industry and business environment;
- iii. Bringing relevant experience to the Board and uses it effectively;
- iv. Understanding the vision and mission of the Company, strategic plans and key issues;
- v. Attendance and Participation in Board /Committee/general Meetings;
- vi. Understanding and fulfilling the function as assigned by the Board/law;
- vii. Ability to function as an effective team member;
- viii. Actively take initiative with respect to various areas;
- ix. Adequately commitment to the Board and the Company;
- x. Demonstrating highest level of integrity including conflict of interest disclosure, maintenance of confidentiality etc.;
- xi. Rendering independent judgment and unbiased opinion in relation to decision making;
- xii. Timely inputs on the minutes of the board and Committee's if any;
- xiii. Director has effectively assisted the company in implementing best corporate governance practice and its monitoring.
- xiv. Adhere to the legal obligations, applicable code of conduct and policies.

5. Details of remuneration/sitting fees paid to Directors during the financial year 2020-21:

Details of remuneration and sitting fee paid/ payable to the Directors of the Company for the financial year ended March 31, 2021 are given below:

(i) Executive Directors

Name	Salary (Rs.)	Allowances / Perquisites (Rs.)	Retirement benefits (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Vineet Jain (Managing Director) ¹	55,25,000	40,25,999	12,75,000	1,99,00,000	3,07,25,999
Mr. S.P Gupta (Director-Operations) ²	19,08,000	2,93,158	2,28,960	-	24,30,118

Service Contracts:

1. Shareholders of the Company, at their annual general meeting held on 27th September, 2017, approved the appointment of Mr. Vineet Jain as Managing Director for a period of five years w.e.f 1st October, 2017.
2. The Board of Directors at its Meeting held on 28th June, 2021 approved the re-appointment of Mr. Satya Prakash Gupta as Director (Operations) of the Company for a further period of 3 years w.e.f. 29th May, 2021, subject to the approval of the shareholders at the ensuing Annual General Meeting.
 - Notice period is ninety days from either party or ninety days' salary in lieu of notice.

(ii) Non-Executive Independent Directors

Criteria of making payment to Non-Executive Directors

Non-executive Directors are paid sitting fees for attending meetings of the Board and its committees, as recommended by Nomination & Remuneration Committee and fixed by the Board of the Company. Non-executive Directors do not draw any remuneration/commission other than sitting fees.

Name	Sitting fee paid (Rs.)
Mr.D K Kapila	15,000
Mr. S.C. Malik	25,500
Mr. S. Sathymoorthy	15,000
Mrs. Kamlesh Gupta	12,000
Total	67,500

Notes:

1. The remuneration of executive/non-executive directors is approved by the Board of Directors and shareholders, in line the NRC Policy of the Company and relevant provisions of the Companies Act, 2013.
2. There is no separate provision for payment of severance fees.
3. There were no variable components and performance linked incentives.
4. There were no pecuniary relationships or transactions between Non-Executive Independent Directors and the Company during the financial year 2020-21 except payment of sitting fee for attending the Board/Committee Meeting(s).
5. The Company does not have any Employee Stock Option Scheme.

6. Stakeholders' Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of Listing Regulations, the Board has constituted Stakeholders' Relationship Committee to ensure timely and best services to the shareholders and to supervise the performance of the Registrar and Share Transfer Agent (RTA).

The terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of Schedule II Part D of the Listing Regulations and Section 178 of the Act. The role of the Committee inter- alia includes the following:

- Resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for ensuring timely receipt of annual reports / statutory notices by the shareholders of the Company.

During the year, four Stakeholders Relationship Committee meetings were held on 21st September, 2020, 17th October, 2020, 20th January, 2021 and 31st March, 2021. The Company Secretary acts as a Secretary to the meetings.

The details of the Composition and attendance of each member at these meetings for the year 2020-21 are given below:-

Sl.No	Name of Member	Position in Committee	No of Meetings held	No of Meetings attended
1	Mr.S. C. Malik (Independent Director)	Chairman	4	4
2	Mr. Vineet Jain (Executive Managing Director)	Member	4	4
3	Mr. S.P Gupta (Whole-time Director)	Member	4	4

Mr. Bharat Kapoor, Company Secretary is the Compliance Officer of the Company. Mr. Amarjeet Singh, Senior Manager, MCS Share Transfer Agent Ltd. is authorized person on behalf of M/s. MCS Share Transfer Agent Ltd., Registrar & Share Transfer Agent. An email ID exclusive for registering shareholders' complaints / grievance has been formed as palsecretarial@gmail.com.

During the year under review, the Company has received forty four queries complaints from the shareholders including one complaint received through SEBI SCORE platform. All the complaints were redressed and there was no compliant pending as on 31st March, 2021.

7. Risk Management Committee

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.

The Company has in place a Risk Management Policy including inter alia Risk Management and Risk Mitigation Procedures relating to various aspects of the operations of the company. The Policy is available on the website of the Company at www.pasupatiacrylon.com

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2020-21



During the year no Risk Management Committee meeting was held. The details of the Composition of the Risk Management Committee as on 31st March, 2021 are given below:-

Sl.No.	Name of Director	Position in the Committee
1	Mr. D.K. Kapila (Independent Director)	Chairman
2	Mr. S.C. Malik (Independent Director)	Member
3	Mr. S. Sathyamoorthy (Independent Director)	Member
4	Mrs. Kamlesh Gupta (Independent Director)	Member
5	Mr. Satya Prakash Gupta (Wholetime Director)	Member

8. Corporate Social Responsibility Committee (CSR)

The Board of Directors of the Company has a Corporate Social Responsibility Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder.

The terms of reference of the CSR Committee are:

- To formulate and recommend to the Board the CSR policy and a CSR annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect;
- To identify the areas/activities/projects/programmes for CSR contribution and recommend the amount to be spent;
- To review and recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
- To monitor the implementation of CSR Policy and oversee the CSR initiatives of the Company.

The CSR Policy is available on the Company's website <http://pasupatiacrylon.com/investors/policies#documents>. The CSR Policy lays down areas of activities, thrust area, types of projects, programs, modes of undertaking projects/ programs etc.

During the year, three Corporate Social Responsibility Committee meetings were held on 21st December, 2020, 12th February, 2021 and 17th February, 2021.

The details of the Composition and attendance of each member at these meetings for the year 2020-21 are given below:-

Sl.No	Name of Member	Position in Committee	No of Meetings held	No of Meetings attended
1	Mr.S. C. Malik (Independent Director)	Chairman	3	3
2	Mr. Vineet Jain (Executive Managing Director)	Member	3	3
3	Mr. S.P Gupta (Whole-time Director)	Member	3	3

9. General Body Meetings

(a) The details of date, location and time of the last three AGMs and Special Resolution passed thereat:

Financial year	Date	Time	Venue	Special Resolution Passed
2019-20	29.09.2020	10.00 AM	Held through video conferencing / other audio visual means and deemed venue was registered office of the Company at Vill.Thakurdwara, Kashipur Road, Moradabad (UP)	1. Re-appointment of Mr. S. C. Malik as an Independent Director for a second term of five years. 2. Re-appointment of Mr. D.K. Kapila as an Independent Director for a second term of five years.
2018-19	27.09.2019	10.00 AM	Pasupati Acrylon Ltd., Vill. Thakurdwara, Kashipur Road, Moradabad (UP).	1. Re-appointment of Mr. S. Sathyamoorthy as an Independent Director for 2 nd term on attaining age of 75 years
2017-18	27.09.2018	10.00 AM	Pasupati Acrylon Ltd., Vill. Thakurdwara, Kashipur Road, Moradabad (UP).	Nil

- (b) **Extra-Ordinary General Meeting:** No Extraordinary General Meeting (EGM) was held during the last three financial years i.e. 2020-21, 2019-20 and 2018-19.
- (c) **Postal Ballot:** No Postal Ballot was conducted during the year under review. At present, there is no proposal to pass any resolution through postal ballot.

10. Means of Communication

- (a) Quarterly/ half yearly/ annual financial results are submitted to BSE Limited immediately after approval of the Board of Directors.
- (b) The financial results are published in daily newspapers viz. Business Standard / Pioneer English and Hindi Edition. The Annual Report is posted / mailed to every shareholder of the Company.
- (c) The Company's website contains the updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, shareholding pattern, intimation of board meeting dates, press releases etc. The said information is available in a user friendly and downloadable form in "Investor Section" of the Company's website www.pasupatiacrylon.com.
- (d) Company displays official news releases on its website as required.
- (e) During the year under review, no presentation has been made to institutional investor/analysts.
- (f) Management's Discussions and Analysis Report forms part of Board's Report of the Annual Accounts more specifically under Operations, Current Year Outlook, Internal Control System and adequacy, Human Resources and Industrial Relations.
- (g) All periodical compliances, filings, corporate announcements, disclosures, financial results and all other corporate communications are filed electronically on BSE Listing Centre.

11. General Shareholder Information

- (a) Annual General Meeting will be held on Tuesday 28th Day of September 2021 at 10:00 AM through video conferencing/other audio visual means.
- (b) **Dates of Book Closure:** The Share Transfer Books and Register of Members of the Company shall remain closed from Wednesday, the 22nd September 2021 to Tuesday, the 28th September 2021 (both days inclusive).
- (c) Financial Calendar for the period 2021-22.

Tentative schedule for considering financial results:

First Quarter Results (30.06.2021)	By 14 th August, 2021
Second Quarter Results (30.09.2021)	By 14 th November, 2021
Third Quarter Results (31.12.2021)	By 14 th February, 2022
Fourth Quarter Results (31.03.2022)	By 30 th May, 2022

- (d) No dividend has been declared by the Company for Financial Year 2020-21.

(e) **Listing of Equity Shares on Stock Exchange:**

The Company's shares are presently listed on the Stock Exchange at Mumbai (Scrip Code-500456)- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 420023. The listing fees for the year 2020-21 and 2021-222 have been paid to BSE Limited within the stipulated time.

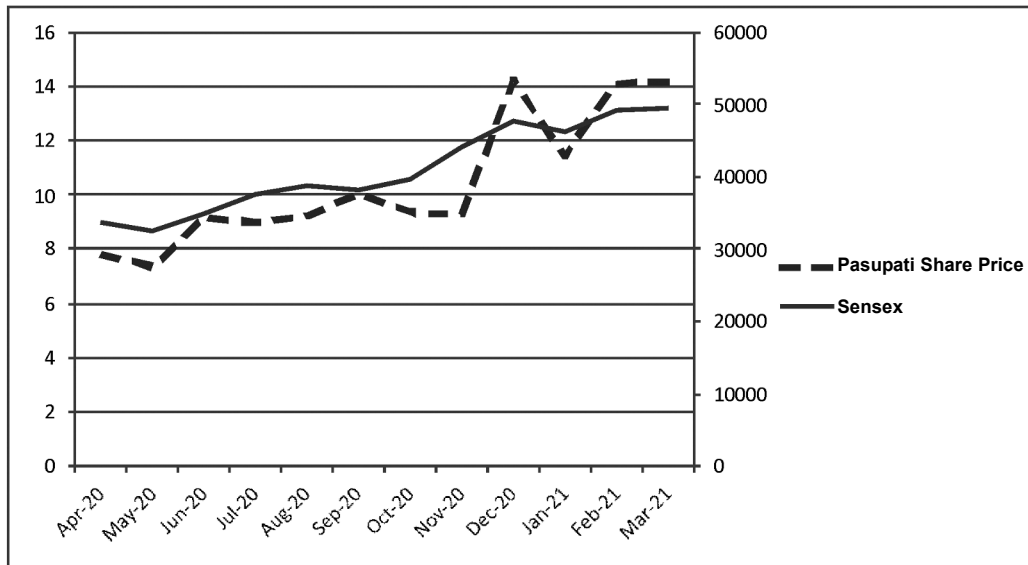
BSE Limited	Scrip Code - 500456
ISIN for NSDL & CDSL	INE818B01023

Further, the Company has paid Annual Custody Fees for the financial year 2020-21 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

(f) Market Price Data : High/Low during each month in last financial year 2020-21 at BSE:

Month	Share Price on BSE	
	High (Rs.)	Low (Rs.)
April, 2020	8.80	6.50
May, 2020	8.00	6.75
June, 2020	12.80	7.00
July, 2020	12.75	8.70
August, 2020	10.90	8.40
September, 2020	12.20	8.95
October, 2020	10.54	8.80
November, 2020	9.81	8.50
December, 2020	14.49	9.15
January, 2021	15.75	10.51
February, 2021	15.44	11.15
March, 2021	17.88	13.85

(g) Performance of the Company's share price in comparison to BSE Sensex:



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

(i) **Registrar & Share Transfer Agent:** M/s. MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area Phase-I, New Delhi-110020. Tel: No. 011-41406149; Email ID: helpdeskreply@mcsregistrars.com(j) **Share Transfer System:**

The Company's shares are compulsory traded in the Stock Exchanges in electronic mode. Therefore, Investors/Shareholders holding shares in physical form are advised to avail the facility of dematerialization. In terms of Regulation 40(1) of Listing Regulations, as amended, transfer of physical shares of listed companies are barred and securities can be transferred only in dematerialized form effective from 1st April, 2019 except in case of transmission or transposition of securities. However, investors are not barred from holding shares in physical form.

k) Distribution of Shareholding as on 31st March 2021

No. of Shares	No. of Shareholders	%	No. of Shares	%
1-500	48,216	87.79	67,87,063	7.61
501-1000	3,647	6.64	28,94,730	3.25
1001-2000	1,482	2.70	22,87,634	2.57
2001-3000	444	0.81	11,51,487	1.29
3001-4000	226	0.41	8,22,851	0.92
4001-5000	251	0.46	11,90,645	1.34
5001-10000	345	0.63	26,18,088	2.94
10001 -50000	248	0.45	51,99,056	5.83
50001- 100000	28	0.05	21,12,098	2.37
100001 and above	35	0.06	6,40,69,469	71.88
Total	54,922	100.00	8,91,33,121	100.00

(l) Dematerialization of Shares

As on March 31, 2021, 92.54% of the Company's total paid up equity shares representing 8,24,86,832 equity shares were held in dematerialized form and the balance 7.46% representing 66,46,289 equity shares were in physical form.

(m) The Company has never issued any depository receipts or convertible instruments and therefore, there is no outstanding GDR/ADR/Warrants or any other convertible instrument as on 31st March, 2021.

(n) Registered Office and Plant Location:

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

(o) Address of correspondence:

Shareholders correspondence may be addressed at below address:

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: 011-47627400 Fax : 011-47627497 Email : palsecretarial@gmail.com	MCS Share Transfer Agent Limited Registrar & Transfer Agent F-65, Okhla Industrial Area Phase-I, New Delhi-110020 Phone: 011-41406149-52 Fax : 011-41709881 Email: helpdeskreply@mcscregistrars.com
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(p) **Rating-** There is no debt instrument or any fixed deposit programme or any scheme/proposal of the Company involving mobilization of funds and therefore, no credit rating was required to be obtained for any such purpose.

12. Other Disclosures**(a) Disclosure on materially significant related party transactions**

All transactions entered into with the Related Parties during the financial year 2020-21 were in the ordinary course of business and/or on arm's length basis. Details of related party transactions during the financial year 2020-21 are disclosed in the notes to the accounts. During the year, there were no materially significant transactions with the related parties that may have potential conflict with the interest of the Company at large. The Company has formulated a policy for Related Party Transaction and the said policy is available on the website of the Company under the web link <http://pasupatiacrylon.com/investors/policies#documents>

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority on the matters related to capital markets, during the last three years.

The Company has complied with all applicable provisions of the Listing Regulations and other SEBI Regulations wherever applicable. 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. However in financial year 2018-19, BSE had imposed a penalty of Rs. 2,19,480/- due to inadvertent lapse occurred in attaching Annual Report for the year 2017-18 while filing online on BSE Listing Portal. However it was filed /resubmitted on 5th February 2019. Penalty amount has been paid to BSE Ltd.

(c) Vigil Mechanism / Whistle Blower Policy

The company has established a Vigil Mechanism by adopting a Whistle Blower Policy for all stakeholders including directors, employees etc. to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct as well as providing adequate safeguards against the victimization of employees who avail of the mechanism. The Policy is available on the Company's website www.pasupatiacrylon.com. No personnel of the Company have been denied access to the Audit Committee. The Company has not received any complaint during the financial year 2020-21.

(d) Details of compliance with mandatory and non-mandatory requirements

The Company is in compliance with all mandatory requirements of Corporate Governance specified in Listing Regulations.

The Company has adopted the following discretionary requirements as specified in Regulation 27(1) read with Part E of Schedule II of Listing Regulations as given below:

The Board: Since the company has an Executive Chairman, requirements regarding Non-Executive Chairman are not applicable.

Shareholder's Rights: Quarterly, half-yearly, annual financial results of the Company are published in English and Hindi newspapers and are also forwarded to BSE Limited. The said results are also uploaded on the website of the Company www.pasupatiacrylon.com. However, the Company furnishes the financial results on receipt of request from the shareholders.

Modified Opinion in Audit Report: There was no qualification or modified opinion in the Independent Auditors' Report on Audited Financial Statements for the year ended 31st March, 2021. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

Reporting of Internal Auditors: The Company is having Independent Internal Auditor. Internal Auditor send their reports to the CFO and in turn, the reports are placed at the meeting of Audit Committee for its review. The Internal Auditor of the Company is perpetual invitee to the Audit Committee Meeting. They attend each Audit Committee Meeting and present their internal audit observations to the Audit Committee. They directly interact with Audit Committee Chairman & Members during the meeting.

Risk Management Committee: The Company is not mandatorily required to constitute Risk Management Committee in terms of Regulation 21(5) of Listing Regulations, but the Board has discretionary constituted Risk Management Committee to identify the existing and prospective risks attached to the business of the Company. The Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

(e) Web link where policy for determining material subsidiaries is disclosed.

The Company does not have a "material subsidiary" in accordance with Regulation 16 of SEBI Listing Regulations. However as required under the aforesaid Regulation, the Company has formulated a policy for determining "Material Subsidiary" policy which is placed on the website of the Company. <http://pasupatiacrylon.com/investors/policies#documents>

(f) Disclosure of commodity price risks or foreign exchange risks and hedging activities:**Commodity Risk**

The Company is subject to commodity risks due to fluctuation in prices of crude oil as 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.

Foreign Exchange Risk

Company's payables and receivables are partly in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to Currency risks. To control and mitigate exchange risk, the company has an agreement with Green Back Advisory Services Pvt. Ltd. and accordingly 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, G 7 meetings, non-farm payroll, RBI announcements etc. are watched carefully. Company is exporting its product to the tune of approximately 20% which provides natural hedge, in addition the company hedges the currency as suggested by consultants.

(g) Details of utilization of funds raised through preferential allotment or qualified institutional placement

This clause is not applicable, as the Company has not raised fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

(h) Certificate on Non-disqualification of Directors from Practicing Company Secretaries-

As required by Clause 10(i) of Part C under Schedule V of Listing Regulations, the Company has obtained a certified from M/s V K Sharma & Co., Practicing Company Secretaries certifying that for the financial year ended on 31st March, 2021, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI or Ministry of Corporate Affairs (MCA) or any such statutory authority. A certificate issued by M/s. V K Sharma & Co. to that effect is attached and forming part of this report as **Annexure - A**.

**(i) Recommendations of the committees**

During the financial year 2020-21, the Board has accepted and taken on record, all recommendations made by any Committee of the Board.

(j) Total fees paid by the Company to M/s. Suresh Kumar Mittal & Co., Statutory Auditors for the year ended 31st March, 2021

For Statutory Audit -	7.00 Lakhs
For quarterly review Reports -	3.75 Lakhs
Total -	<u>10.75 Lakhs</u>

k) Disclosure regarding Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. The Company has in place a policy for prevention of Sexual Harassment of employee at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, no complaint pertaining to sexual harassment was received and no complaint was pending as on 31st March, 2021.

13. All the mandatory requirements of Listing Regulations have been complied with by the Company. There is no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Section C of Schedule V of Listing Regulations.

14. Disclosure with compliance with the requirements of Corporate Governance

All the requirements of Corporate Governance, as specified in Regulation 17 to 27 of Listing Regulations and applicable to the Company, have been complied with. The Company maintains a functional website www.pasupatiacrylon.com and the Company disseminate the information as specified in clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations on its website.

15. Code of Conduct

The Company has in place a Code of conduct based on its business principles along with implementation framework for its Directors and Senior Management Personnel of the Company. The Code of Conduct, inter alia, specifies the guidance and support for ethical conduct of business and compliance of law as well as the duties of Independent Directors as laid down in the Companies Act, 2013. Directors and Senior Management of the Company affirm the compliance with the Code on annual basis. A declaration on confirmation of compliance of the Code of Conduct signed by the Managing Director is published in this Annual Report in compliance of Regulation 26 of Listing Regulation.

In compliance with the SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended 31st March, 2021. The Codes are available on the Company's website www.pasupatiacrylon.com.

16. CEO / CFO Certification

In terms of Regulation 17(8) of Listing Regulations, Managing Director and CFO has given a compliance certificate to the Board of Directors as specified in Part B of Schedule II of Listing Regulations.

17. Auditors Certificate on Corporate Governance

As per Listing Regulations, the Auditors Certificate confirming compliance with conditions of Corporate Governance is given as an **Annexure – B** to this Report.

For and on behalf of the Board

Place : New Delhi
Date : 28th June, 2021

Vineet Jain
Managing Director
(DIN : 00107149)



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, as adopted by the Board of Directors, for the period ended March 31, 2021, as envisaged in Schedule V (Part D) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

**Place : New Delhi
Date : 28th June, 2021**

**Vineet Jain
Managing Director
(DIN : 00107149)**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PASUPATI ACRYLON LIMITED
Thakurdwara Kashipur Road,
Distt. Moradabad UP -244601

We, **V. K. Sharma & Co. Company Secretaries** have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PASUPATI ACRYLON LIMITED** having **CIN L50102UP1982PLC015532** and having registered office at **Thakurdwara Kashipur Road, Distt. Moradabad UP- 244601** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority .

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	MR. VINEET JAIN	00107149	01/10/1994
2.	MR. SUBHASH CHANDRA MALIK	00107170	14/02/2012
3.	MR. DEVESHWER KUMAR KAPILA	00179060	25/05/2015
4.	MR. SATHYAMOORTHY SRINIVASAN	00459731	28/09/2006
5.	MR. SATYA PRAKASH GUPTA	00509809	29/05/2018
6.	MRS. KAMLESH GUPTA	07243898	27/07/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

V.K. Sharma & Co
Company Secretaries

Place : Greater Noida
Date : 14.06.2021

(V. K. Sharma)
FCS NO.: 3440
C.P. No. : 2019
UDIN: F003440C000457685

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS 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, 2021, as stipulated in Regulations 17 to 27 and clause (b) to (i) of Regulations 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Managements' Responsibility

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.

Auditor's Responsibility

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 Accountant 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.

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31st March, 2021 as stipulated in the above mentioned Listing Regulations, as applicable.

For Suresh Kumar Mittal & Co.

Chartered Accountants

Reg. No.: 500063N

Ankur Bagla

Partner

Membership Number: 521915

Date: 28th June, 2021

Place: New Delhi

UDIN : 21521915AAAADC9048

INDEPENDENT AUDITORS' REPORT



TO THE MEMBERS OF PASUPATI ACRYLON LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pasupati Acrylon Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2021, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note no 35 to the standalone financial Results, which describes the uncertainties and the impact of COVID-19 PANDEMIC on the company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Major portion of the company's business i.e. both export and import, is transacted in foreign currency and consequently the company is exposed to foreign exchange risk. Foreign currency exchange rate exposure due to its imports is partly balanced by export of goods. The balance foreign currency exchange rate exposure is hedged through derivative like foreign exchange forward contracts. (Refer Note No. 37 to the financial statements). We assessed the foreign exchange risk management policies adopted by the company. The company manages risk through formulating risk management objectives and policies which are reviewed by the senior management, Audit Committee and Board of Directors. Our audit approach was a combination of test of internal controls and substantive procedures to evaluate chances of minimizing the risk involved.
2. The company has certain matters under dispute which involves judgement to determine the possible outcome of these disputes (Refer Note No. 24(a) to the financial statements). We obtained the details of the disputes with their present status and documents. We made an in depth analysis of the dispute. We also considered legal procedures and other rulings in evaluating management's position on these disputes to evaluate whether any change was required to management's position on these disputes.
3. Company's major Raw Material is imported which is subject to variation due to volatility in crude oil prices and demand & supply ratio. These are monitored on regular basis using pricing trends and forecast from internationally reputed news agencies. To manage the price risk associated of these transactions, the Company formulates risk management objectives & policies which are reviewed by the senior management, Audit Committee and Board of Directors. Our Audit Approach was a combination of test of material controls & substantive procedures to evaluate chances of minimising the risk involved.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

INDEPENDENT AUDITORS' REPORT (Contd.)



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's

INDEPENDENT AUDITORS' REPORT (Contd.)



report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements - Refer note no. 24(a) & 24(c) to the financial statements.
 - (ii) The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts - Refer note no. 37 to the financial statements.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Suresh Kumar Mittal & Co.

Chartered Accountants

Firm Registration No. 500063N

Sd/-

Ankur Bagla

Partner

Membership No. : 521915

Place : New Delhi

Date : 28th June, 2021

UDIN : 21521915AAAADD3925

Annexure A referred to in Paragraph (I) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Pasupati Acrylon Limited on the standalone Ind AS Financial Statements for the year ended 31st March 2021.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year as per the phased program designed to cover all the fixed assets over a period, which in our opinion is reasonable having regard to the size of the company and nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of accounts.
- (c) The title deeds of immovable properties are held in the name of the company.

INDEPENDENT AUDITORS' REPORT (Contd.)



- (ii) As explained to us, the inventories have been physically verified by the management during the year except stocks lying with third parties in respect of whom confirmations have been obtained and the discrepancies noticed on physical verification as compared to book record, which are not material, have been properly dealt with in the books of account. In our opinion, the frequency of such verification is reasonable.
- (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. And as such clause (iv) of the order are not applicable to the company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73,74,75 and 76 of the Act and the rules framed there under and hence reporting under clause (v) of the Order is 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 Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are neither required to carry out nor have carried out detailed examination of such cost accounting records with a view to determine whether they are accurate or complete.
- (vii) According to the records of the company, examined by us and information and explanations given to us:
- (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 customs, duty of excise, value added tax, cess and others as applicable. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.
- (b) There are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax outstanding as at 31st March 2021 except:

S. No.	Name of the Statute	Nature of the dues	Amount (Rs.in lacs)	Period to which amount relates	Forum where dispute is pending
1.	Service Tax and Customs Act	Cenvat Credit availed on service tax paid	11.39	2007-2008	Allahabad high court
2.	Custom Duty Act	Custom Duty	16.42 34.41	2010-2011 2011-2012	CETSAT (MUMBAD) CETSAT (DELHI)
3.	Service Tax Act	Service Tax on Ocean Freight	76.59	2017-2018	Allahabad High Court

- (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 financial institution, banks and Government and dues to debenture holders
- (ix) In our opinion and according to the information and explanations given to us, during the year the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Further, the Term loans have been applied by the Company for the purposes for which they were raised.
- (x) Based on the audit procedures performed and 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 explanations given to us, the company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 and according to the information and explanations given to us, the Company's transactions with its related parties are in compliance with sections 177 and 188 of the Act where applicable and details of related party transactions have been disclosed in the Standalone Ind AS financial statements etc as required by the accounting standards in notes to the Financial Statements
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company

INDEPENDENT AUDITORS' REPORT (Contd.)



- (xv) In our opinion and according to the information and explanation given to us, during the year, the company has not entered into any non-cash transactions with directors or persons connected with him
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For Suresh Kumar Mittal & Co.

Chartered Accountants

Firm Registration No. 500063N

Sd/-

Ankur Bagla

Partner

Membership No. : 521915

Place : New Delhi
Date : 28th June, 2021
UDIN : 21521915AAAADD3925

Annexure B referred to in Paragraph (II)(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Pasupati Acrylon Limited on the standalone Ind AS Financial Statements for the year ended 31st March 2021.

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 31st, 2021, in conjunction with our audit of the Standalone 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 authorizations of management and directors of the Company; and

INDEPENDENT AUDITORS' REPORT (Contd.)



- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 2021, 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 : 28th June, 2021

UDIN : 21521915AAAADD3925

BALANCE SHEET AS AT 31ST MARCH, 2021



Particulars	Note No.	As at 31.03.2021 (Rs./Lakh)	As at 31.03.2020 (Rs./Lakh)
ASSETS			
I NON CURRENT ASSETS			
1 Property, Plant and Equipments	4	8,462.60	8,017.91
2 Capital Work in Progress	4	-	43.78
3 Other Financial Assets	5	589.91	711.64
4 Deferred Tax Assets (Net)	6	-	-
II CURRENT ASSETS			
1 Inventories	7	11,220.39	11,142.33
2 Financial Assets			
- Current Investment	8	2,544.37	-
- Trade receivables	9	5,498.78	3,492.09
- Cash and cash equivalents	10	6,475.72	8,610.60
- Other Current Financial Assets	11	1,316.99	1,636.62
3 Current Tax Assets (Net)	12	-	114.50
4 Other Current Assets	13	972.87	2,146.60
		37,081.64	35,916.07
EQUITY AND LIABILITIES			
I Equity			
1 Equity Share Capital	14	8,914.10	8,914.10
2 Other Equity		14,432.26	10,080.59
II NON-CURRENT LIABILITIES			
1 Financial Liabilities			
- Borrowings	15	1.12	7.54
2 Provisions	16	262.89	303.39
3 Deferred Tax Liabilities (net)	6	577.31	613.55
4 Other Non Current Liabilities	17	48.61	0.00
III CURRENT LIABILITIES			
1 Financial liabilities			
- Borrowings	18	419.17	1,098.26
- Trade Payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		-	3.34
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		10,746.98	11,585.91
- Other Financial Liabilities	20	6.42	32.92
2 Other current liabilities	21	711.63	2,994.17
3 Provisions	22	468.77	282.30
4 Current Tax Liabilities (Net)	23	492.38	0.00
		37,081.64	35,916.07

Significant Accounting Policies 1-3
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
Date : 28th June, 2021

Deveshwar Kumar Kapila
Director
DIN : 00179060

S.C.Malik
Director
DIN : 00107170

Bharat Kapoor
Company Secretary

Vineet Jain
Managing Director
DIN : 00107149

Satish Kumar Bansal
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note No.	For the Year ended	For the Year ended
		31.03.2021 (Rs./Lakh)	31.03.2020 (Rs./Lakh)
I REVENUE			
Revenue from Operations	26	50,544.66	66,364.36
Other Income	27	878.08	644.39
TOTAL REVENUE		51,422.74	67,008.74
II EXPENSES			
Cost of Material Consumed	28	33,269.58	54,589.67
Purchase Of Stock In Trade	28	9.36	4.30
Changes in Inventory of Finished Goods and Work in Progress	29	1,919.53	(2,926.25)
Employee Benefits Expense	30	2,253.29	2,307.87
Finance Costs	31	377.65	498.96
Depreciation & Amortization Expenses	32	625.56	665.54
Other Expenses	33	7,114.60	9,829.19
TOTAL EXPENSES		45,569.57	64,969.28
III Profit before exceptional items and tax		5,853.17	2,039.46
IV Exceptional items		-	-
V Profit before tax (III-IV)		5,853.17	2,039.46
VI TAX EXPENSE			
Current Tax		1,520.11	600.38
Deferred Tax		(51.98)	134.11
MAT Credit written off (net)		80.19	-
VII PROFIT AFTER TAX		4,304.85	1,304.96
VIII OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit & loss		62.55	30.06
Income tax relating to above		(15.74)	(10.50)
Other Comprehensive Income for the year (Net of Tax)		46.81	19.55
IX TOTAL COMPREHENSIVE INCOME		4,351.66	1,324.52
X EARNING PER SHARE			
Basic and diluted	34	4.83	1.46

Significant Accounting Policies

1-3

See Accompanying Notes to the Financial Statements
As per our report of even date annexed

For Suresh Kumar Mittal & Co.,
Chartered Accountants
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Ankur Bagla
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Membership No. 521915

Deveshwar Kumar Kapila
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Company Secretary

Vineet Jain
Managing Director
DIN : 00107149

Satish Kumar Bansal
Chief Financial Officer

Place : New Delhi
Date : 28th June, 2021

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2021



Particulars	For the Year ended 31.03.2021 (Rs./Lakh)	For the Year ended 31.03.2020 (Rs./Lakh)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before exceptional items and tax	5,853.17	2,039.46
Adjustments for:-		
Depreciation and amortisation	625.56	665.54
Finance Cost	377.65	498.96
Interest Income	(211.07)	(292.72)
Profit on sale of assets	(0.10)	(0.03)
Other Comprehensive Income	62.55	30.06
Operating profit before working capital changes	6,707.76	2,941.27
Change in Working Capital		
Adjustment for (increase)/decrease in operating assets		
Non Current other Financial Assets	(120.69)	131.26
Inventories	(78.06)	(2,075.42)
Trade receivables	(2,006.68)	3,261.90
Other Current Financial Assets	319.63	(1,025.01)
Other Current Assets	1,199.73	(749.25)
Adjustment for (increase)/decrease in operating Liabilities		
Non Current Provisions	(40.50)	18.01
Other Non Current Liabilities	48.61	(40.95)
Trade payable	(1,582.09)	(2,401.58)
Other Current Financial Liabilities	(26.50)	2.51
Other Current Liabilities	(2,282.55)	261.27
Current Provisions	186.47	(111.89)
Net income tax(paid)/refunds received	(975.64)	(393.37)
Net Cash flow from /(used in) operating activities(A)	1,349.50	(181.26)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital Advance	242.43	(244.58)
Capital Expenditure	(1,070.25)	(223.07)
Proceeds from Sale of assets	0.10	3.19
Interest Income	211.07	292.72
(Purchase)/Sale of current investments	(2,544.37)	3,054.48
Net Cash flow from/(used in) Investing Activities (B)	(3,161.03)	2,882.74
CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	(377.65)	(498.96)
Repayment of long term borrowings (including Ind AS adjustments)	(6.42)	(32.92)
Repayment of unsecured loans	-	-
Increase (Decrease) in short term borrowings	60.72	14.57
Net Cash Flow from /(used in) Financing Activities (C)	(323.35)	(517.32)
Net Increase /(decrease) in Cash and Cash Equivalents (A+B+C)	(2,134.88)	2,184.17
Cash and cash equivalents at the beginning of the year	8,610.60	6,426.44
Cash and cash equivalents at the end of the year	6,475.72	8,610.61

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
Date : 28th June, 2021

Deveshwar Kumar Kapila
Director
DIN : 00179060

S.C.Malik
Director
DIN : 00107170

Bharat Kapoor
Company Secretary

Vineet Jain
Managing Director
DIN : 00107149

Satish Kumar Bansal
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

A EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount (Rs. Lakh)
Balance as on 01.04.2019	89133121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
Balance as on 31.03.2020	89133121	8,914.10
Balance as on 01.04.2020	89133121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
Balance as on 31.03.2021	89133121	8,914.10

B OTHER EQUITY

Particulars	Retained Earnings	Capital Reserve*	Items of other Comprehensive Income	Total Other Equity
			Other item of OCI	
Balance as on 01.04.2019	7,359.49	1,452.78	(56.19)	8,756.08
Addition during the period	-	-	-	-
Profit (Loss) for the period	1,304.96	-	-	1,304.96
Other comprehensive income	-	-	19.55	19.55
Balance as on 31.03.2020	8,664.45	1,452.78	(36.64)	10,080.59
Balance as on 01.04.2020	8,664.45	1,452.78	(36.64)	10,080.59
Addition during the period	-	-	-	-
Profit(Loss) for the period	4,304.85	-	-	4,304.85
Other comprehensive income	-	-	46.81	46.81
Balance as on 31.03.2021	12,969.30	1,452.78	10.17	14,432.25

* Created on extinguishment of loan liability in earlier years

Significant Accounting Policies

See Accompanying Notes to the Financial Statements

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

Ankur Bagla
Partner
Membership No. 521915

Deveshwar Kumar Kapila
Director
DIN : 00179060

S.C.Malik
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DIN : 00107170

Vineet Jain
Managing Director
DIN : 00107149

Satish Kumar Bansal
Chief Financial Officer

Place : New Delhi
Date : 28th June, 2021

Bharat Kapoor
Company Secretary

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 is also manufacturing Cast Polypropylene Film (CPP Film) at Thakurdwara Distt. Moradabad (U.P.)

2 Significant Accounting Policies

2.1 Basis of Preparation of Financial statements

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 and guidelines issued by the Securities Exchange Board of India (SEBI).

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 reasonably 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.

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 for Acrylic segment has been calculated on fixed assets on written down method except for Furniture & Fixture, Office Equipment where depreciation is calculated on straight line method in accordance with schedule II of the Companies Act, 2013.

Depreciation for CPP segment has been calculated on fixed assets on straight line 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.

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.

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 a 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	Building (a)	Plant & Machinery (b)	Electrical Installation	Office Equipment	Furniture & Fixture	Vehicles	Livestock	Total	Capital work in Progress
Gross Carrying Value as on 01.04.2019	16.00	7.62	2,712.25	29,862.50	4,926.18	418.56	251.76	447.81	0.80	38,643.48	-
Addition				170.04		9.25	-	-	-	179.29	43.78
Deletions					-			14.74	-	14.74	-
Gross Carrying Value as on 31.03.2020	16.00	7.62	2,712.25	30,032.54	4,926.18	427.81	251.76	433.07	0.80	38,808.03	43.78
Accumulated Depreciation as on 01.04.2019	14.56	-	1,600.25	23,690.72	3,926.07	401.21	250.92	252.43	-	30,136.16	-
Depreciation for the period	0.54		81.24	356.78	155.60	10.49	0.23	60.66	-	665.54	-
Deductions/Adjustments								11.58		11.58	-
Accumulated Depreciation as on 31.03.2020	15.10	0.00	1681.49	24047.50	4081.67	411.70	251.15	301.51	-	30790.12	-
Carrying Value as on 31.03.2020	0.90	7.62	1030.76	5985.04	844.51	16.11	0.61	131.56	0.80	8,017.91	43.78
Gross Carrying Value as on 01.04.2020	16.00	7.62	2,712.25	30,032.54	4,926.18	427.81	251.76	433.07	0.80	38,808.03	43.78
Addition				1,017.22	43.44	2.18	-	7.41	-	1,070.25	-
Deletions					-			0.49	-	0.49	43.78
Gross Carrying Value as on 31.03.2021	16.00	7.62	2712.25	31049.76	4969.62	429.99	251.76	439.99	0.80	39,877.79	-
Accumulated Depreciation as on 01.04.2020	15.10	-	1,681.49	24,047.50	4,081.67	411.70	251.15	301.51	-	30,790.12	-
Depreciation for the period	0.50		74.79	364.09	137.50	7.15	0.19	41.34	-	625.56	-
Deductions/Adjustments								0.49		0.49	-
Accumulated Depreciation as on 31.03.2021	15.60	0.00	1756.28	24411.59	4219.17	418.85	251.34	342.36	-	31415.19	-
Carrying Value as on 31.03.2021	0.40	7.62	955.97	6638.17	750.45	11.14	0.42	97.63	0.80	8,462.60	-

- (a) Includes premises cost of Rs.62.96 Lakh which is towards cost of premises, furniture & fixtures and air conditioners. Since separate breakup is not available, therefore depreciation has been charged on total cost at Straight Line Method.
- (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 & Zero Liquid Discharge 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 246.19 Lakh (Previous year Rs. 244.10 Lakh) instead of Rs. 258.10 Lakh (Previous Year Rs. 264.35 lakh), resulting in excess charge of depreciation during the year by Rs. 11.91 Lakh. (Previous Year Rs. 20.25 Lakh)

5 OTHER FINANCIAL ASSETS (NON CURRENT)

(Unsecured-considered good)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Fixed deposits with banks*		
-With maturity period of more than 12 months from the balance sheet date	424.58	304.15
Security Deposits to Others	5.38	5.11
Capital Advance	159.95	402.38
Total	589.91	711.64

*includes amount held for LC margin money Rs. 389.27 Lakhs (Previous year Rs. 244.45 Lakhs)

6 DEFERRED TAX ASSETS/LIABILITIES (NET)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Deferred Tax liability		
Property, Plant and equipment	684.48	771.94
Total	684.48	771.94
Deferred Tax Assets		
Expenses allowable on payment basis	98.50	150.64
Expected Credit Loss	8.67	7.75
Total	107.17	158.39
Net Deferred Tax Assets/(Liabilities)	(577.31)	(613.55)

7 INVENTORIES

(As taken, valued and certified by the management)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Raw Materials*	5,778.69	3,307.94
Work in progress	569.56	476.95
Finished Goods		
- Own Manufactured	3,662.30	5,676.89
- Trading	4.73	2.27
Stores & Spares**	458.82	798.62
Fuel	746.29	879.66
Total	11,220.39	11,142.33

* includes goods in transit Rs 1957.02 Lakh (Previous Year Rs. 1789.21 Lakh).

** includes goods in transit Rs.1.91 Lakh (Previous Year Rs. Nil).

8 CURRENT INVESTMENTS

Financial assets at fair value through Profit and Loss

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Investments in Mutual Fund (Quoted)		
4,93,310.032 units of Rs.515.7757 each at 31.03.2021 (Nil units of Rs.Nil each at 31.03.2020) of Aditya Birla Sun Life Mutual Fund	2,544.37	–
Total	2,544.37	–

9. TRADE RECEIVABLES

(Unsecured considered Good)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Trade Receivables considered good- Secured		
Trade Receivables considered good- Unsecured	5,503.28	3,364.88
Trade Receivables which have significant increase in Credit Risk	29.75	149.18
Trade Receivables- Credit Impired	–	–
Total	5,533.03	3,514.06
Less: Allowance for Credit Loss	(34.25)	(21.97)
Total	5,498.78	3,492.09

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.

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

The Company do not envisage any financial difficulties resulting in additional credit risks higher than usual credit terms due to COVID-19 outbreak.

10 CASH & CASH EQUIVALENTS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Balances with Banks :-		
- Current Account	425.02	148.55
- Cash Credit account	151.66	300.50
Fixed deposits with banks*		
- With maturity period of 3 month from the date of inception	5,895.50	8,160.59
Cash in hand	3.54	0.96
Total	6,475.72	8,610.60

* Includes amount held for LC margin money Rs. 2143.49 Lakhs (Previous Year 399.55 Lakhs)

11 OTHER CURRENT FINANCIAL ASSETS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Interest receivable	61.20	72.16
Fixed Deposit with Banks*		
- With maturity period of within 12 month from the Balance Sheet date	1,255.79	1,564.46
Total	1,316.99	1,636.62

* Includes amount held for LC margin money Rs. 1204.53 Lakh (Previous Year Rs. 757.40 Lakh)

12 CURRENT TAX ASSETS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Income Tax Refundable	-	34.31
MAT Credit Entitlement	-	80.19
Total	-	114.50

13 OTHER CURRENT ASSETS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Balance with Custom/Excise & Other Govt.Authorities	266.05	1,397.81
Advance recoverable in cash or in kind	460.17	517.67
Loans to Staff (Considered Good)	17.09	20.18
Others	229.55	210.94
Total	972.87	2,146.60

14 EQUITY SHARE CAPITAL

(a) Authorised

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Equity Shares of Rs. 10 each				
At the beginning of the period	100,000,000	100,000,000	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	10,000	10,000

(b) Issued

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Equity Shares of Rs. 10 each fully paid up				
At the beginning of the period	89158825	89158825	8,915.88	8,915.88
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	89158825	89158825	8,915.88	8,915.88

(c) Subscribed and Paid up

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Equity Shares of Rs. 10 each fully paid up				
At the beginning of the period	89133121	89133121	8,914.10	8,914.10
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	89133121	89133121	8,914.10	8,914.10

@ Does not include 15800 shares (Previous years 15800 Shares) forfeited in the earlier years, amount forfeited Rs.0.79 Lakh (Previous years Rs. 0.79 Lakh) 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:

Particulars	No. of Shares		Percentage	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Mr. Vineet Jain	12422422	12,02,422	13.94	1.35
Gurukripa Finvest Private Ltd.	9000000	9000000	10.10	10.10
Sulabh Plantation & finance Pvt. Ltd	8250000	8250000	9.26	9.26
Arihant Exports Ltd.	4627867	4627867	5.19	5.19
Shubh Exim Ltd.	4500000	4500000	5.05	5.05
PICUP	4481752	4481752	5.03	5.03

15 NON CURRENT BORROWINGS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
From Banks (SECURED)		
Vehicle loan*	1.12	7.54
Total	1.12	7.54

* 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 31.03.2021	As at 31.03.2020
Payable after 1 year	1.12	6.42
Payable after 2 years	–	1.12
Total	1.12	7.54

16 NON CURRENT PROVISIONS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Provisions for Employee Benefits	262.89	303.39
Total	262.89	303.39

17 OTHER NON CURRENT LIABILITIES

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Export Benefit Received in Advance	48.61	0.00
Total	48.61	0.00

18 CURRENT BORROWINGS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Secured		
Loans repayable on Demand		
From Banks*	81.34	20.62
Sub Total	81.34	20.62
Unsecured		
Deferred Credit	337.83	1,077.64
Sub Total	337.83	1,077.64
Total	419.17	1,098.26

* 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 31.03.2021	As at 31.03.2020
Acceptances	9,461.56	9,872.67
Sundry Creditors		
a) Total outstanding dues of micro enterprises and small enterprises *	-	3.34
b) Total outstanding dues of Creditors other than micro enterprises and small enterprises**.	1,285.42	1,713.24
Total	10,746.98	11,589.25

* The information regarding Micro, Small and Medium Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information available with the Company is given below:

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Principal amount due outstanding as at end of year	-	3.34
Interest due on above and unpaid as at end of year	-	0.01
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	-	5.72
Interest due and payable for the period of delay	-	0.03
Interest accrued and remaining unpaid as at end of period	-	0.16

20 OTHER FINANCIAL LIABILITIES

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Current Maturities of Long Term Debts	6.42	32.92
Total	6.42	32.92

Vehicle Loan of Rs. 6.42 Lakh (Previous year Rs. 32.92 Lakh) Secured by hypothecation of specified assets acquired out of the loan amount.

21 OTHER CURRENT LIABILITIES

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Advance from Customers	132.90	2,712.71
Other Payables	576.35	279.14
Interest accrued but not due on borrowings	2.38	2.32
Total	711.63	2,994.17

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31.03.2021.

22 PROVISIONS

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Provisions for Employee Benefits	468.77	282.30
Total	468.77	282.30

Amount payable to related party Rs. 212.86 Lakh (Previous Year Rs. 15.86 lakh).

23 CURRENT TAX LIABILITIES (NET)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Provision for Income Tax (Net of TDS Rs.26.58 lakh, Advance Tax Rs.1000.00 lakh and MAT credit utilisation Rs. Nil (Previous year Net of TDS Rs.2.82 lakh, Advance Tax Rs.350 lakh and MAT credit utilisation Rs.247.45 lakh)	492.38	–
Total	492.38	–

24 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	Amount (Rs./Lakh)	
	As at 31.03.2021	As at 31.03.2020
Contingent Liabilities		
a) Sale tax/Excise Duty/Custom Duty/Other Statutory Due/Service Tax disputed in appeal	138.81	138.81
b) Bank Guarantee	6.02	2.52
c) Labour cases disputed in appeal	5.76	5.65
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	13.10	672.00
b) Letter of credits opened for which the material has not yet been shipped	6045.51	4735.41

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 31.03.2021	For the year ended 31.03.2020
Sales of Products	50,370.58	65,988.07
- Export Incentives / Benefits	174.08	376.29
Total	50,544.66	66,364.36

27 OTHER INCOME

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest	211.07	292.72
Claims Received	20.42	45.02
Liability no logner required	1.71	62.66
Miscellaneous Receipts & Incomes	281.32	237.84
Profit on sale of fixed assets)	0.10	0.03
Exchange Rate Difference (Net)	362.79	-
Prior year's Income/Adjustments	0.67	6.13
Total	878.08	644.39

28 COST OF MATERIALS CONSUMED

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
At the beginning of the period	3,307.94	4,886.81
Add: Purchases during the period	35,737.54	53,010.80
Less: Inventory at the end of the period	5,775.90	3,307.94
Consumption during the period	33,269.58	54,589.67

Raw Materials Consumed (Major Heads)

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
ACRYLONITRILE	25,819.48	44,729.25
VINYL ACETATE MONOMER	1,733.91	2,231.21
DIMETHYL FORMAMIDE	332.65	375.33
OTHERS	5,383.54	7,253.88
TOTAL	33,269.58	54,589.67

Purchases of Stock In Trade

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Traded Goods	9.36	4.30

29 CHANGES IN INVENTORIES

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Closing Stock		
Finished Goods		
- Own Manufactured	3,662.30	5,676.89
- Trading	4.73	2.27
Work in Progress	569.56	476.95
	4,236.58	6,156.11
Opening Stock		
Finished Goods		
- Own Manufactured	5,676.89	2,740.24
- Trading	2.27	9.18
Work in Progress	476.95	480.44
	6,156.11	3,229.86
(Increase)/Decrease in stocks	1,919.53	(2,926.25)

30 EMPLOYEE BENEFITS EXPENSES

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries & Wages	2035.78	2069.29
Contribution to Provident & Other Funds	163.47	175.86
Staff Welfare Expenses	54.04	62.73
Total	2,253.29	2,307.87

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

Employee Post Retirement Benefits

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
During the year, the following contribution have been made under defined contribution plans:-		
Employer's Contribution to Provident Fund	46.67	55.91
Employer's Contribution to Employees Pension Scheme	46.68	48.53

Defined Benefit Plans :

Changes in the present value of the obligations

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Present value of defined benefit obligation at the beginning of the year	730.53	711.89	284.66	268.42
Interest cost	46.35	53.51	18.79	20.46
Past Service Cost-Vested	-	-	-	-
Current service cost	41.97	39.98	33.06	26.49
Benefits Paid	(59.33)	(45.72)	(16.75)	(26.37)
Actuarial (gain)/loss on obligations	(34.70)	(29.12)	(23.20)	(4.34)
Present value of defined benefit obligation at the end of the year	724.82	730.54	296.56	284.66

Change in fair value of plan asset

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Present value of Plan assets at the beginning of the year	680.83	651.56	-	-
Actual return on Plan Assets	43.20	48.98	-	-
Contributions	50.99	29.41	-	-
Benefits paid	(59.33)	(45.72)	-	-
Charges Deducted	4.65	(3.40)		
Fair value of plan assets at the end of the year	720.34	680.83	-	-

Amount recognized in Balance Sheet

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Present value of obligation as at the end of the year	724.82	730.53	296.56	284.66
Fair value of Plan Assets as at the end of the year	720.34	680.83	-	-
Unfunded Net Assets/(Liability) recognised in Balance Sheet	(4.48)	(49.70)	(296.56)	(284.66)

Expenses Recognized in Profit & Loss

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Current Service Cost	41.97	39.98	33.06	26.49
Past Service Cost Vested	-	-	-	-
Interest Cost	3.15	4.53	18.79	20.46
Total Expenses recognised in Profit & Loss Account	45.12	44.51	51.85	46.95

Recognized in Other Comprehensive Income (OCI)

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Net cumulative unrecognized actuarial (gain/loss) opening	-	-	-	-
OCI recognized during the year	(39.35)	(25.72)	(23.20)	(4.34)
Unrecognized actuarial gain/(Loss) at the end of the year	-	-	-	-
Total Actuarial (gain)/loss at the end of the year	(39.35)	(25.72)	(23.20)	(4.34)

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

Particulars	Gratuity		Leave Benefit	
	Financial Year 2020-2021	Financial Year 2019-2020	Financial Year 2020-2021	Financial Year 2019-2020
Discount rate (per annum)	6.25%	6.35%	6.68%	6.60%
Rate of increase in Compensation Levels (Per Annum)	5.60%	5.60%	12.00%	9.50%
Expected average remaining working lives of employees (years)	12.70	12.91	12.09	12.35
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.

31 FINANCE COST

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest Expense:		
- Banks	1.04	1.29
- Others	125.49	195.54
Bank and Finance Charges	251.12	302.13
Total	377.65	498.96

32 DEPRECIATION & AMORTISATION EXPENSE

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation	625.56	665.54
Total	625.56	665.54

- a) 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.
- b) Based on technical evaluation, depreciation has been provided taking Plant & Machinery (except CPP Plant & Zero Liquid Discharge 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.246.19 Lakh (Previous year Rs. 244.07 Lakh) instead of Rs.258.10 Lakh (Previous year Rs. 264.31 Lakh), resulting in excess charge of depreciation during the year by Rs.11.91 Lakh(Previous Year Rs.20.24 Lakh)

33 OTHER EXPENSES

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Consumption of Stores, Spare and Packing Materials	1,019.51	1,192.00
Power & Fuel	3,945.52	5,200.73
Rent	239.89	196.12
Repairs to Buildings	16.43	88.66
Repairs to Machinery	230.05	303.99
Repairs-Others	55.67	158.39
Insurance	128.22	145.84
Rates & Taxes	13.77	14.04
Travelling & Conveyance	56.92	139.88
Rebates and Discounts	55.97	27.49
Commission & Brokerage	81.79	227.70
Exchange Fluctuation	-	828.15
Freight Outward	664.90	704.77
Packing ,Handling & Finishing Charges	46.72	78.59
Charity & Donation	7.55	5.57
Bad Debts written off (Net)	15.81	0.37
Miscellaneous Expenses*	535.88	516.91
Total	7,114.60	9,829.19

- * Includes Rs. 115.00 Lakh (Previous Year Rs. 51.00 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 31.03.2021	For the year ended 31.03.2020
As Statutory Audit Fees	7.00	7.00
As Audit Fees for Quarterly Audited Results	3.75	3.75
For Certification Work	-	-
For Reimbursement of Expenses	-	-
Total	10.75	10.75

34 EARNINGS PER SHARE (EPS)

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Basic and Diluted Earnings Per Share		
Profit/(Loss) after tax as per profit & loss account (Rs. Lakh) (A)	4,304.86	1,304.96
No. of equity shares (B)	89133121	89133121
Basic and Diluted Earning Per Share (Rs.) (A/B)	4.83	1.46

35 The Company has considered the possible effects that may result from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade Receivables and inventories. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the pandemic, the Company as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the company.

As The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of potential future impact of COVID 19, the value of Financial assets may be different from that estimated as at the date of approval of these Financial Statements

36. Related Party Disclosure:

Names of related parties and description of relationship

(i) Key management personnel

Mr.Vineet Jain-Managing Director

Mr. Satish Kumar Bansal-CFO

Mr.S.P Gupta-Wholetime Director

Mr.Bharat Kapoor-Company Secretary{appointed w.e.f 12.02.2020}

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

Mr. Manish Jain-Brother and Mrs. Garima Jain- Wife, of Mr.Vineet Jain (since resigned w.e.f. 31.08.2019)

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

- Prabhat Capital Services Ltd
- Accurex Traders Pvt. Ltd.
- Vigar Enterprises 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.

(Rs. in Lakh)

Particulars	Relatives of Key Managerial Personnel	Key Managerial Personnel	Others
Salaries & Allowances	9.70	341.99	
	(16.68)	(132.10)	-
Rent/Lease Rent Paid	-	-	3.70
	-	-	(3.70)
Loan Repaid	-	-	
	-	-	-
Interest Paid	-	-	-
	-	-	-
Contribution to Gratuity / PF / Superannuation Fund	2.25	16.69	66.53
	(3.00)	(16.51)	(66.57)
Purchase of Assets		6.50	
		(-)	
For Expenses			2.56
	-	-	(5.43)

Previous period figures are given in bracket.

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

37 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)	
		31.03.2021	31.03.2020
Trade Receivable	USD	0.48	-
1% increase		0.00	-
1% decrease		(0.00)	-
Trade Payable	USD	34.92	144.78
1% increase		0.35	1.45
1% decrease		(0.35)	(1.45)

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) Impact of Covid -19(Global pandemic)

The Company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by covid-19 pandemic. The company has also considered the changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The company continue to believe that there is no impact on effectiveness of its hedges.

(iv) 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.

38 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.

For the year ended 31.03.2020

(Amount in Lakh)

Particulars	Acrylic Fibre	CPP	Unallocated	TOTAL
Segment Revenue	60,998.15	5,366.21	-	66,364.36
Segment Results (Profit before Exceptional Item, Interest and Tax)	2,264.76	273.66	-	2,538.42
Finance Cost	-	-	498.96	498.96
Exceptional Item	-	-	-	-
Profit before Tax	-	-	-	2,039.46
Segment Assets	29,352.67	6,563.40		35,916.07
Segment Liabilities	16,694.16	227.23		16,921.39

For the year ended 31.03.2021

(Amount in Lakh)

Particulars	Acrylic Fibre	CPP	Unallocated	TOTAL
Segment Revenue	45,621.31	4,923.36	-	50,544.67
Segment Results (Profit before Exceptional Item, Interest and Tax)	5,800.73	430.10	-	6,230.83
Finance Cost	-	-	377.64	377.64
Exceptional Item	-	-	-	-
Profit before Tax				5,853.18
Segment Assets	28,838.04	8,243.60		37,081.64
Segment Liabilities	13,518.78	216.51		13,735.29

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

Class of Goods	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Percentage	Amount (Rs. Lakh)	Percentage	Amount (Rs. Lakh)
Raw Materials				
Imported	87.45	29,095.75	89.66	48,947.44
Indigenous	12.55	4,173.83	10.34	5,642.23
	100.00	33,269.58	100.00	54,589.67
Stores & Spares				
Imported	1.91	19.45	2.34	27.95
Indigenous	98.09	1,000.06	97.66	1,164.05
	100.00	1,019.51	100.00	1,192.00

40 OTHER INFORMATIONS

Particulars	Amount (Rs./Lakh)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
CIF value of Imports		
Raw materials	28,247.38	46,481.63
Stores & spares	11.24	251.28
Capital Expenditure	621.74	244.58
Expenditure in Foreign Currency		
Travelling	25.48	59.20
Commission on export Sales. (excluding Rs.108.54 Lakh (Previous year Rs. 250.71 Lakh) paid in INR for Export)	-	-
Interest & Other Charges	112.17	175.41
Earnings in Foreign Currency		
FOB value of exports (excluding Rs.8352.47 Lakh (Previous year Rs.18419.58 Lakh) export in INR)	208.44	156.76

41 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
Date : 28th June, 2021

Deveshwar Kumar Kapila
Director
DIN : 00179060
S.C.Malik
Director
DIN : 00107170
Bharat Kapoor
Company Secretary

Vineet Jain
Managing Director
DIN : 00107149
Satish Kumar Bansal
Chief Financial Officer

IF UNDELIVERED PLEASE RETURN TO



PASUPATI ACRYLON LTD.

Corporate Office

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