



Quality Assured Company  
ISO-9001:2000



# ANNUAL REPORT

## 2023-24

# PASUPATI ACRYLON LIMITED

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## **BOARD OF DIRECTORS**

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### **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. B.K. Shroff & Co.  
Chartered Accountants  
New Delhi

### **Bankers**

Indian Bank  
State Bank of India  
UCO Bank  
Bank of Baroda  
Yes Bank

### **CIN**

L50102UP1982PLC015532

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

Thakurdwara  
Kashipur Road  
Distt. Moradabad (U.P.)- 244 601  
Ph: 0591-2241352-55, 2241263  
Fax: 0591-2241262  
Email: works@pasupatiacrylon.com

### **Corporate Office**

M-14, Connaught Circus,  
(Middle Circle)  
New Delhi-110 001  
Ph : 011-47627400  
Fax : 011-47627497  
Email: delhi@pasupatiacrylon.com

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

MCS Share Transfer Agent Ltd.  
F-65, Okhla Industrial Area  
Phase-I, New Delhi-110 020  
Ph: 011-41406149 Fax: 011-41406148  
Email: admin@mcsregistrars.com

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## NOTICE

### NOTICE OF 41<sup>ST</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 41<sup>st</sup> (Forty First) Annual General Meeting (“AGM”) of the Shareholders of Pasupati Acrylon Limited (“the Company”) will be held on Wednesday, 21<sup>st</sup> August, 2024 at 10:30 A.M. at Registered Office of the Company at Kashipur Road, Thakurdwara, Dist. Moradabad (Uttar Pradesh) – 244601, 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 31<sup>st</sup> March, 2024 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, if any, of the Companies Act, 2013 read with the rules made thereunder and Schedule V of the Companies Act, 2013 and the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and as recommended and approved by the Nomination & Remuneration Committee and Board of Directors in their respective meetings held on 17<sup>th</sup> May, 2024 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 for the re-appointment of Mr. Satya Prakash Gupta (DIN 00509809), who will attain the age of 70 years as on 1<sup>st</sup> July, 2024, as Whole Time Director designated as Director (Operations) of the Company, liable to retire by rotation, for a period of three years with effect from 29<sup>th</sup> May, 2024 to 28<sup>th</sup> May, 2027 and payment of his remuneration for the aforesaid period, on the terms and conditions including remuneration as set out in the Item No. 3 of the explanatory statement annexed hereto and forming part of the resolution, 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 within the overall limits as specified in Section 197 read with Schedule V of the Companies Act, 2013 and/or any guidelines prescribed by the Government from time to time in such manner as it may deem fit and as may be acceptable to Mr. Satya Prakash Gupta, without any further reference to shareholders in General Meeting.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 196(3) read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the shareholders of the Company be and is hereby accorded for the continuance of the directorship of Mr. Satya Prakash Gupta (DIN 00509809) as Whole Time Director designated as Director (Operations) of the Company after attaining the age of 70 years till the expiry of his term of office.

**RESOLVED FURTHER THAT** the aggregate sum of remuneration and perquisites in any financial year shall be governed by the limits prescribed, from time to time, under Section 197 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the tenure of service of Mr. Satya Prakash Gupta as Whole Time Director designated as Director (Operations) of the Company, the salary, perquisites and statutory benefits as set out in the explanatory statement forming part of this resolution be paid, subject to applicable laws and receipt of the requisite approvals, if any, as minimum remuneration to him, in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) and/or any of the Key Managerial Personnel of the Company be and are hereby severally or jointly 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. **To approve continuation of term of Mr. Subhash Chandra Malik (DIN-00107170) as a Non-Executive Independent Director after attaining the age of 75 years in his current tenure.**

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

“**RESOLVED THAT** pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) and as recommended by the Nomination & Remuneration Committee and Board of



## NOTICE (Contd.)

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Directors in their respective meetings held on 17<sup>th</sup> May, 2024, approval of the shareholders of the Company be and is hereby accorded for the continuation of directorship of Mr. Subhash Chandra Malik (DIN: 00107170), who will attain the age of 75 years on 10<sup>th</sup> January, 2025, as a Non-executive Independent Director of the Company after attaining the age of 75 years till the expiry of his current tenure *i.e.* till the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) and/or any of the Key Managerial Personnel of the Company be and are hereby severally or jointly 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.”

### 5. To ratify the 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. 50,000/- (Rupees Fifty 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, 2025, 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 severally or jointly 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.”

#### Registered Office:

Village Thakurdwara  
Kashipur Road  
Moradabad (U.P.) – 244601  
CIN: L50102UP1982PLC015532

**By Order of the Board of Directors  
of Pasupati Acrylon Limited**

**Bharat Kapoor  
Company Secretary**

Place: New Delhi  
Date: 17<sup>th</sup> May 2024

**Membership No. - A54267**

#### Notes:

1. Explanatory Statement setting out all material facts regarding Special Business contained in Item Nos. 3 to 5, as required under Section 102 (1) of the Companies Act, 2013 and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India /SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
2. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY/PROXIES NEED NOT BE SHAREHOLDER(S) OF THE COMPANY.** Pursuant to Section 105(1) of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of shareholders not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A shareholder holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Instrument appointing proxy in order to be effective should be deposited at the registered office of the company, duly completed, signed and stamped, not less than 48 hours before the commencement of the meeting.

3. Corporate shareholders intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting, to the Scrutinizer by e-mail to [cs\\_sushant@yahoo.co.in](mailto:cs_sushant@yahoo.co.in) with a copy marked to [palsecretarial@gmail.com](mailto:palsecretarial@gmail.com) and [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
4. Shareholders/Proxies/Authorised Representatives are requested to bring their duly completed attendance slips enclosed herewith. The route map showing directions to reach the venue of Annual General Meeting is annexed.
5. In case of joint holders attending the meeting, 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 at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 14<sup>th</sup> August, 2024 to Wednesday, the 21<sup>st</sup> August, 2024 (**both days inclusive**) for the purpose of this Annual General Meeting.

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7. Brief details of Directors proposed to be 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. Register of Directors and Key Managerial Personnel & their shareholding and Register of Contracts or Arrangements and all other relevant documents referred in the accompanying notice and explanatory statement are available for inspection at the Registered Office of the Company during business hours on working days upto the date of this Annual General Meeting and also at the meeting.
9. In accordance with, the General Circular No. 9/2023 dated 25<sup>th</sup> September, 2023 read with General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, 02/2022 dated 5<sup>th</sup> May, 2022 and 10/2022 dated 28<sup>th</sup> December, 2022 issued by Ministry of Corporate Affairs and Circulars No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023 read with Master Circular dated 11<sup>th</sup> July, 2023 issued by SEBI, the requirements of sending physical copies of the Annual Report and AGM Notice to the shareholders has been dispensed with. Accordingly, pursuant to the provisions of Section 101 and 136 of the Companies Act, 2013 read with the rules made thereunder and in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, Notice of the 41<sup>st</sup> AGM alongwith Annual Report for the financial year 2023-24 are being sent in electronic mode to those shareholders whose email addresses are registered with the Company / Depository Participant(s)/RTA.
10. SEBI and Ministry of Corporate Affairs encourage paperless communication as a contribution to green environment. Shareholders who have not yet registered their email addresses are requested to register/update the same with their Depository Participants in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
11. Notice of 41<sup>st</sup> AGM and Annual Report for the financial year 2023-24 will also be available on the Company’s website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com), website of stock exchanges i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and website of Central Depository Services (India) Limited [www.evotingindia.com](http://www.evotingindia.com).
12. Shareholders desiring to receive the Annual Report in physical form, even after registering for e-mail mode, may request for the same, upon which reports will be dispatched.
13. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence shareholders are requested to update the mobile no./email ID with their respective depository participants.
14. SEBI has mandated the submission of Permanent Account Number (“PAN”) by every participant in the securities market. Shareholders holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participant with whom they maintain their demat accounts. Further, pursuant to SEBI Master Circular SEBI/HO/MIRSD/PoD-1/P/CIR/2023/70 dated 17<sup>th</sup> May, 2023, issued in suppression of earlier Circulars No. SEBI/HO/MIRSD/MIRSD/RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 & SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December, 2021, SEBI has mandated for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact Details, Bank Account details, and specimen signature for their corresponding folio numbers. Accordingly, shareholders holding shares in physical form are requested to furnish PAN, KYC details (*i.e.* postal address, email address, mobile number, bank details) and Nomination details through various forms prescribed in the above circular, the format of which are available on the Company’s website [https://pasupatiacrylon.com/wp-content/uploads/2024/06/Intimation-to-physical-shareholders\\_06.06.2024.pdf](https://pasupatiacrylon.com/wp-content/uploads/2024/06/Intimation-to-physical-shareholders_06.06.2024.pdf). It may be noted that any service request or complaint can be processed only after the folio is KYC compliant.
15. In terms of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, transfer/transmission/transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, shareholders are advised to dematerialize the shares held by them in physical form.
16. SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMP/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 and SEBI Master circular SEBI/HO/MIRSD/PoD-1/P/CIR/2023/70 dated 17<sup>th</sup> May, 2023 has mandated that listed companies shall issue securities in dematerialized form only while processing service requests relating to issue of duplicate securities certificate, renewal/exchange of securities certificates, endorsement, sub-division/splitting/consolidation of securities certificate, transmission/transposition, change in name.
17. SEBI vide its Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31<sup>st</sup> July, 2023 (updated as on 4<sup>th</sup> August 2023) read with SEBI’s Circular no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/191 dated 20<sup>th</sup> December, 2023 has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to the above circulars, a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution (“ODR”) Portal. Shareholders are requested to take note of the same. The ODR portal can be accessed at [SMARTODR](http://SMARTODR).

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18. In terms of the Companies (Significant Beneficial Ownership) amendment Rules, 2019 as amended from time to time, a person is considered as a Significant Beneficial Owner if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholder is holding shares in the Company on behalf of other or fulfilling the criteria, the shareholder is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.
19. Shareholders desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Registered Office of the Company at least ten days before the date of the AGM, so that the information requested may be made available.
20. As per the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the facility for making nomination is available to the Shareholders in respect of the shares held by them. Shareholders, who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. If a Shareholder desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Shareholder may submit the same in form ISR-3 or form SH-14, as the case may be. The said forms can be downloaded from the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) (under 'Investor' section). Shareholders are requested to submit the said form to their respective DPs in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is providing the facility of remote e-voting to its Shareholders, to enable them to cast their votes electronically on the resolutions proposed to be passed at the AGM. The facility of casting the votes by the shareholders using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited ("CDSL"). The resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting.
22. The facility for voting through ballot paper shall be made available at the AGM.
23. 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.* 14<sup>th</sup> August, 2024 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
24. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 14<sup>th</sup> August, 2024. Once the vote on a resolution is cast by a Shareholder via remote e-voting, it cannot be changed subsequently or cast the vote again.
25. Shareholders who have already cast their votes by remote e-voting prior to the meeting date may also attend the AGM but shall not be entitled to cast their vote at the meeting venue.
26. **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 18<sup>th</sup> August, 2024 at 9:00 A.M. and ends on 20<sup>th</sup> August, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter. The Shareholders, whose names appear in the Register of Shareholders / Beneficial Owners as on the record date (cut-off date) *i.e.* 14<sup>th</sup> August, 2024 may cast their vote by remote e-voting.

Pursuant to SEBI circular **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> 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.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Pursuant to above said SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; select New System Myeasi Tab.</li> <li>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 your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL Depository.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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>i.e.</i> your sixteen digit demat account number held 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	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 website for casting your vote during the remote e-Voting period.

**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
  - A. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

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- B. Click on “Shareholders” module.
- C. 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.
- D. Next enter the Image Verification as displayed and Click on Login.
- E. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- F. If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
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 number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> 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.

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Pasupati Acrylon Limited> on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Note for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## NOTICE (Contd.)

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- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- 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 mandatory 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 and to the Company at the email address at [palsecretarial@gmail.com](mailto: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.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

- a. 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 the Company's email id at [palsecretarial@gmail.com](mailto:palsecretarial@gmail.com).
- b. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

27. The Board of Directors of 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 voting at 41<sup>st</sup> AGM in a fair and transparent manner and he has consented to act as Scrutinizer.
28. The Chairman of the meeting shall, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those shareholders who will be present at the AGM but have not cast their votes by way of remote e-voting facility.
29. The scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast 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 in writing, who shall countersign the same and declare the result of the voting forthwith.
30. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) and shall also be communicated to stock exchanges, where the shares of the Company are listed.

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

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#### ITEM NO. 3

Mr. Satya Prakash Gupta (DIN 00509809) was re-appointed as Whole Time Director designated as Director (Operations) at 38<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2021 for a period of three years w.e.f 29<sup>th</sup> May, 2021. Accordingly, the present term of Mr. Satya Prakash Gupta would be expiring on 29<sup>th</sup> May, 2024.

Mr. Satya Prakash Gupta will attain the age of 70 years on 1<sup>st</sup> July, 2024. He is a chemical engineer and is possessing high level of expertise and rich experience in operations of the plant. He has been shaping and steering the long term strategy and makes invaluable contributions in the expansion of operational activities of the Company. Considering the vast experience, knowledge and the possession of relevant expertise by Mr. Satya Prakash Gupta, and his able guidance towards operations, strategic inputs and higher responsibilities shouldered by him, the Board of Directors and Nomination & Remuneration Committee are of the opinion that their continued association would be of immense benefit to the Company.

## NOTICE (Contd.)

Accordingly, the Board of Directors of the Company, at its meeting held on 17<sup>th</sup> May, 2024, based on the recommendation of the Nomination & Remuneration Committee at its meeting held on the same date, has approved the re-appointment of Mr. Satya Prakash Gupta for a further period of three years with effect from 29<sup>th</sup> May, 2024, subject to approval of the shareholders of the Company, on the terms and conditions including remuneration as set out in the relevant resolution and as hereinafter indicated, in accordance with norms laid down in Schedule V and other applicable provisions of the Companies Act, 2013 and rules made thereunder and recommended the continuance of the directorship of Mr. Satya Prakash Gupta as Director - Operations after attaining the age of 70 years till the expiry of his term of office.

**The broad particulars of terms and conditions of re-appointment of Mr. Satya Prakash Gupta as Director – Operations (Whole Time Director) and his remuneration are as under:**

- A. Tenure of Appointment** : The appointment as Whole Time Director designated as Director – Operations for a period of three consecutive years w.e.f 29<sup>th</sup> May, 2024 to 28<sup>th</sup> May, 2027
- B. Remuneration, Allowances and Perquisites:**
- I. Basic Salary** : Rs. 1,96,000 – 10,000 – Rs. 2,16,000 per month
- II. 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) **Special Allowance** : Rs. 70,000/- per month
- e) **Personal Accident Premium** : For a maximum of Rs. 15,000/- per annum
- f) **Medical Insurance Premium** : For a maximum of Rs. 60,000/- per annum
- g) **Contribution to Provident Fund** : As per rules of the Company and statutory provisions
- h) **Gratuity** : As per applicable provisions of Payment of Gratuity Act
- i) **Encashment of Leave** : As per rules of the Company

### Explanation:

The perquisites and allowances 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. In the absence of any such rules, perquisites and allowances shall be evaluated at cost.

### Others terms & conditions:

- a) Mr. Satya Prakash Gupta shall be entitled to reimbursement of all expenses incurred by him in connection with the business of the Company.
- b) Mr. Satya Prakash Gupta will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- c) Mr. Satya Prakash Gupta will be liable to retire by rotation.
- d) 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.

### III. Overall Remuneration

The aggregate sum of remuneration and perquisites in any financial year shall be governed by the limits prescribed, from time to time, under Sections 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

### IV. Minimum Remuneration

Notwithstanding anything to the contrary contained therein, in the event of loss or inadequacy of profits in any financial year during the tenure of service of Mr. Satya Prakash Gupta as Director (Operations), the Company will, subject to applicable laws and receipt of the requisite approvals, if any, pay him the salary, allowances and perquisites as detailed above as the Minimum Remuneration, in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

## NOTICE (Contd.)

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Satya Prakash Gupta under Section 190 of the Companies Act, 2013.

The Company has received a notice from a shareholder proposing the candidature of Mr. Satya Prakash Gupta for re-appointment as Whole Time Director in terms of Section 160 of the Companies Act, 2013 and the said notice is placed on the website of the Company in compliance with Rule 13 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Company has received consent from Mr. Satya Prakash Gupta signifying his willingness to be re-appointed as Whole Time Director (Director – Operations) of the Company along with a declaration to the effect that he is not disqualified from being appointed as a Director under any provisions of Section 164 of the Companies Act, 2013 and has not been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. In the opinion of the Board of Directors, Mr. Satya Prakash Gupta satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under Section 196 (3) of the Companies Act, 2013 for becoming eligible for this re- appointment.

Mr. Satya Prakash Gupta is a member of Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. 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 – 1** to this Notice.

Since the re-appointment is for a term of three years and future trend in the profitability will largely depend on the business environment in the domestic and global markets, cost of inputs and general state of economy as a whole, there may be loss or inadequacy of profits in any financial year for payment of managerial remuneration beyond the ceiling specified in Section II of Part II of Schedule V of the Companies Act, 2013. Hence, the additional details as required to be given pursuant to clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013 are given in **Annexure – 2**.

As Mr. Satya Prakash Gupta will attain the age of 70 years on 1<sup>st</sup> July, 2024, hence his re-appointment as Whole Time Director would require the approval of the shareholders by way of Special Resolution pursuant to the provisions of Section 196(3) read with Schedule V of the Companies Act, 2013.

Accordingly, approval for the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director (Director – Operations) and continuance of his directorship beyond the age of 70 years till the expiry of his term of office as well as payment of remuneration to him during his tenure, is being sought from the shareholders by way of Special Resolution under Item No. 3 of this notice.

Hence, the Board recommends the Resolutions set out at Items No. 3 of the accompanying Notice for the approval of the Shareholders of the Company as a Special Resolution.

Except Mr. Satya Prakash Gupta and his relatives, none of the other Directors/Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions, except to the extent of their respective shareholding, if any, in the Company.

### **ITEM NO. 4**

Based on recommendation of Nomination and Remuneration Committee and Board of Directors at their respective meetings held on 27<sup>th</sup> July, 2020, Mr. Subhash Chandra Malik was re-appointed as a Non-Executive Independent Director of the Company by the shareholders at their 37<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2020 for a second term of five consecutive years from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> Annual General Meeting.

In terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of shareholders by way of special resolution is required for appointment or continuation of directorship of Non-Executive Director, beyond the age of 75 years.

Mr. Subhash Chandra Malik will attain the age of 75 years on 10<sup>th</sup> January, 2025 and hence, approval of shareholders by way of special resolution is required for the continuation of his directorship from the day he attains the age of 75 years till the expiry of his current term *i.e.* till the conclusion of 42<sup>nd</sup> Annual General Meeting to be held in the year of 2025.

Mr. Subhash Chandra Malik is a Chartered Accountant and he is having good experience in Finance & Accounting, Corporate Restructuring, Risk Management, Audit, Corporate Governance and Corporate Social Responsibility. He has been associated with the company for last 30 years. Considering the vast experience, knowledge and the possession of relevant expertise by Mr. Subhash Chandra Malik and based on his performance evaluation, Nomination & Remuneration Committee & Board of Directors are of the opinion that his presence on the Board adds more value and his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Subhash Chandra Malik as a Non-Executive Independent Director.

Accordingly, Board of Directors at its meeting held on 17<sup>th</sup> May, 2024, based on the recommendation of Nomination & Remuneration Committee and subject to the approval of the shareholders through Special Resolution, has unanimously approved the continuation of directorship of Mr. Subhash Chandra Malik after his attaining the age of 75 years on 10<sup>th</sup> January, 2025 till the date of expiry of his second term of office.

## NOTICE (Contd.)

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Mr. Malik has submitted the following declaration/confirmation that:

- (i) he has not been debarred from holding the office of a Director by virtue of any Order passed by SEBI/Ministry of Corporate Affairs or any such statutory/regulatory authority;
- (ii) declaration in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he has not incurred disqualification under Section 164(1) and Section 164(2) of the Companies Act, 2013; and
- (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Mr. Malik has confirmed that he is not aware of any circumstance or situation which exist or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Malik has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

All the documents referred to will be available for inspection of the shareholders during business hours. Shareholders may write to the Company at [palsecretarial@gmail.com](mailto:palsecretarial@gmail.com) in this regard.

Mr. Subhash Chandra Malik does not hold any shares in the Company and he is not related to any of the Directors/ Key Managerial Personnel of the company. He is chairperson of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee and member of Audit Committee and Risk Management Committee of the Company. Brief details of Mr. Subhash Chandra Malik 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.

In compliance with the Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval for the continuation of directorship of Mr. Subhash Chandra Malik as Non-Executive Independent Director beyond the age of 75 years till the expiry of his current term, is being sought from the shareholders of the Company by way of Special Resolution under Item No. 4 of this notice.

Hence, the Board recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for approval of the shareholders of the Company.

Mr. Subhash Chandra Malik being appointee or his relatives to the extent of their shareholding, may be deemed to be interested in this resolution. Save and except above, none of the Directors/Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

### **ITEM NO. 5**

In accordance with Section 148 of the Companies Act, 2013 read with the rules made thereunder, the Company is required to have its cost records audited by a Cost Accountant. Accordingly, the Board of Directors of the Company at its meeting held on 17<sup>th</sup> May, 2024, based on the recommendation of the Audit Committee, has approved the appointment of Mr. Satnam Singh Saggu, 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 31<sup>st</sup> March, 2025 at a remuneration of Rs. 50,000/- (Rupees Fifty 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 on the recommendation of Audit Committee, is required to be subsequently ratified by the Shareholders of the Company.

Accordingly, consent of the Shareholders is being sought for passing an Ordinary Resolution as set out at Item No. 5 of this Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2025.

The Board of Directors recommends the Resolution set forth in Item No. 5 of the accompanying Notice for the approval of the Shareholders of the Company as an Ordinary Resolution.

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.

#### **Registered Office:**

Village Thakurdwara  
Kashipur Road  
Moradabad (U.P.) – 244601  
CIN: L50102UP1982PLC015532  
Place: New Delhi  
Date: 17<sup>th</sup> May, 2024

**By Order of the Board of Directors  
of Pasupati Acrylon Limited**

**Bharat Kapoor  
Company Secretary  
Membership No. - A54267**

**NOTICE (Contd.)**
**Annexure-1**

**Details of Directors proposed to be 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, issued by the Institute of Company Secretaries of India.**

<b>Name of the Director</b>	<b>Mr. Satya Prakash Gupta</b>	<b>Mr. Subhash Chandra Malik</b>
DIN	00509809	00107170
Date of Birth & Age	1 <sup>st</sup> July, 1954 (69 years)	10 <sup>th</sup> January, 1950 (74 years)
Nationality	Indian	Indian
Qualifications	B.Tech (Chemical Engineering)	B.Com (Hons.) and FCA
Date of first appointment on the Board	29 <sup>th</sup> May, 2018	1 <sup>st</sup> October, 1994
Terms and conditions of re-appointment	Whole Time Director liable to retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013.	Independent Director, not liable to retire by rotation in terms of the provisions of Section 152 of the Companies Act, 2013.
Details of remuneration sought to be paid	Mr. S.P. Gupta is entitled to remuneration as per the details given in Resolution No. 3 and explanatory statement under Item No. 3 of this Notice.	Mr. Subhash Chandra Malik is entitled to sitting fees and reimbursement of expenses for attending meetings of Board and Committee, No remuneration will be paid.
Remuneration last drawn	Remuneration last drawn was Rs. 35.87 Lakh for the financial year 2023-24.	Mr. Subhash Chandra Malik was paid sitting fees of Rs. 36,000/- during the financial year 2023-24.
Skills and capabilities required and the manner in which the proposed person meet such requirements	Plant Operations, Strategy & Risk Management, Technical Expertise Mr. S.P. Gupta fulfils the above mentioned skills/expertise/comptencies	Finance & Accounting, Corporate Restructuring, Risk Management, Audit, Corporate Governance and Corporate Social Responsibility Mr. Subhash Chandra Malik fulfils the abovementioned skills/expertise/ competencies.
Brief resume and Nature of Expertise in specific functions	Mr. Satya Prakash Gupta is a chemical engineer and is possessing high level of expertise and rich experience in operations of the plant. He has been shaping and steering the long term strategy and makes invaluable contributions in the expansion of operational activities.	Mr. Subhash Chandra Malik has been associated with the Company for the last 30 years and he is having good experience in Finance & Accounting, Corporate Restructuring, Risk Management, Audit, Corporate Governance and Corporate Social Responsibility.
Shareholding in the Company	Nil	Nil
Relationship with other directors or key managerial personnel of the Company	None	None
Directorship held in other companies as on 31.03.2024	(a) Pasupati Advanced Films Private Limited (b) Multimax Overdues Legal Solutions Private Limited Except Pasupati Acrylon Limited, Mr. Satya Prakash Gupta neither hold directorship in any other listed company nor hold membership of committee of any other listed company.	NIL
Membership/Chairmanship in committees of other Board	NIL	NIL
Number of meeting of the Board attended during the year	Held - 4 Attended - 4	Held - 4 Attended - 4
Resignation from directorship of the listed companies in the past three years	None	None

## NOTICE (Contd.)

### Annexure-2

Additional details as required to be given pursuant to clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013.

I					General Information:			
1.	Nature of Industry:	Pasupati Acrylon Limited is engaged in the manufacturing of Acrylic Staple Fibre, both in dyed & grey form as well as production of CPP Films.						
2.	Date or expected date of commencement of commercial production:	The Company has already started its operation of Acrylic Fiber in the year of 1990 and of CPP Film in the year of 2017. Further, the Company has already initiated steps to establish grain based Ethanol Project with a production capacity of 150 KLPD and it is expected to commence commercial production of Ethanol by September, 2024.						
3.	In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus:	Not Applicable						
4.	Financial performance based on given indicators: (For the last three years): (Rs. In Lakhs)		2023-24	2022-2023	2021-22			
		Total Revenue	58,599.77	83,638.11	78,384.26			
		Profit Before Tax	1,840.21	4,844.61	6,183.51			
		Profit After Tax	1,318.99	3,591.05	4,589.66			
5.	Foreign investments or collaborators, if any:	The Company is engaged in the manufacturing of Acrylic Staple Fibre, both in dyed & grey form, in technical collaboration with M/s SNIA BPD of Italy, part of the famed FIAT Group, a proven world leader in the manufacture of Acrylic Fibre.						
II		Information about the appointee			Mr. Satya Prakash Gupta			
1.	Background details:	Mr. Satya Prakash Gupta is a chemical engineer and is possessing high level of expertise and rich experience in operations of the plant. He has been shaping and steering the long term strategy and makes invaluable contributions in the expansion of operational activities.						
2.	Past Remuneration:	Mr. Satya Prakash Gupta was paid Rs. 35.87 Lakh for the financial year 2023-24.						
3.	Recognition or awards:	None						
4.	Job profile and his suitability:	Mr. Satya Prakash Gupta oversees the overall business operations of the Company.						
5.	Remuneration proposed:	As per the details given in Resolution & Explanatory Statement under Item No. 3 above.						
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:	Considering his able guidance towards operations, strategic inputs and the higher responsibilities shouldered by him in the business activities of the Company and his qualification, experience, the remuneration proposed to be paid to him is considered fair, just and reasonable and are at par with the standards of the industry in which the Company operates.						
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:	Except the remuneration paid/payable to Mr. Satya Prakash Gupta as Director (Operations) of the Company, Mr. Gupta does not have any pecuniary relationship directly or indirectly with the Company. Further, he is not related to any managerial personnel or director of the Company.						
III		Other Information:						
1.	Reasons of loss or inadequate profits	The Company has profits as on 31 <sup>st</sup> March, 2024 and the Company has maintained its profitability. The Company proposes to obtain the approval of the shareholders as an abundant caution in case the remuneration paid/payable to the Director as per the above resolution exceeds the limits under the Companies Act, 2013, in situations of loss or inadequacy of profit. While the Company does not envisage any loss or inadequate profits, rising running cost and the challenging business environment may affect the profitability of the Company in future.						
2.	Steps taken or proposed to be taken for improvement:	The Company keeps on exploring new strategic and operational measures in its normal course of business to increase its profitability, market share and financial performance and to reduce costs.						

## NOTICE

3.	<b>Expected increase in productivity and profits in measurable terms:</b>	The measures being undertaken is expected to yield more positive results in the coming years. However, it is difficult to forecast the productivity and profitability in quantifiable terms but the Company expects that the above initiatives are expected to improve the financial performance of the Company.
<b>IV Disclosures:</b>		
1.	<b>All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.</b>	The details of remuneration package of Mr. Satya Prakash Gupta including other necessary disclosures are as detailed in the explanatory statement. The necessary disclosures are also made in the Corporate Governance report of the Annual Report of 2023-24.
2.	<b>Details of fixed component and performance linked incentives along with the performance criteria:</b>	
3.	<b>Service contracts, notice period, severance fees:</b>	The appointment may be terminated at any time by either party giving 3 (three) months' notice period of such termination to the other party. The Company does not pay severance fees.
4.	<b>Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable</b>	At present, there is no stock option scheme available in the Company.

## BOARD'S REPORT

### Dear Members

Your Directors have pleasure in presenting 41<sup>st</sup> Annual Report of Pasupati Acrylon Limited ("the Company") together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2024.

In compliance with the applicable provisions of Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulation") this report covers the financial results and other developments during the financial year ended 31<sup>st</sup> March, 2024 and upto the date of the Board meeting held on 17<sup>th</sup> May, 2024 to approve this report, in respect of the Company.

### FINANCIAL HIGHLIGHTS

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

(Rs. In Crore)

Particulars	2023-24	2022-23
Revenue from Operations	575.23	827.96
Other Income	10.77	8.42
Profit before Depreciation, Interest & Tax	26.85	58.20
Finance Cost	2.58	3.61
Depreciation	5.87	6.14
<b>Profit before Taxes</b>	<b>18.40</b>	<b>48.45</b>
Tax Expenses for the year	5.21	12.54
<b>Profit after Taxes</b>	<b>13.19</b>	<b>35.91</b>
<b>Total Comprehensive Income</b>	<b>13.08</b>	<b>36.17</b>

The financial statements for year ended 31<sup>st</sup> March, 2024 have been prepared in accordance with applicable Indian Accounting Standards (Ind AS), notified under Companies (Indian Accounting Standards) Rules, 2015, read with Section 133 and other relevant provisions of Companies Act, 2013. 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](http://www.pasupatiacrylon.com).

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

During the year, the key highlights of the Company's performance during the Financial Year 2023-24 are as under:

- Revenue from Operations was Rs. 575.23 Crores as against Rs. 827.96 Crores in the previous financial year.
- EBIDTA was Rs. 26.85 Crores as against Rs. 58.20 Crores in the previous financial year.
- Net Profit was Rs. 13.19 Crores as against Rs. 35.91 Crores in the previous financial year.

Revenue and Net profit during the year declined due to lower demand of acrylic fibre and negative return on CPP Segment caused by persistent fall in selling prices on account of excessive production capacity added in the market. Despite various challenges such as volatility in crude prices and raw material prices, dumping of acrylic fibre by China, Thailand and Belarus, foreign exchange fluctuations, the Company is focused on improvement in its revenue and net profit.

During the year, the Company's exports were 3,044 MT as compared to last year's exports 4,551 MT. The Company has exported to Dubai, Peru, Thailand, Morocco, Tunisia, Ukraine, Turkey, Algeria, Kenya, Brazil, Poland, Ethiopia etc. and is exploring possibilities of increasing exports and it is hopeful to achieve better exports in the coming years. The Company has also exported CPP product to Nepal.

### DIVIDEND

As the Company's internal accruals is being utilized to set-up Ethanol Plant, the Board of Directors decided not to recommend any dividend for the financial year 2023-24.

### DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, there are no outstanding and/or overdue deposits as at 31<sup>st</sup> March, 2024.

### 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.)

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) read with Schedule V of the SEBI Listing Regulations is given as under:

#### a) INDUSTRY STRUCTURE AND DEVELOPMENT

##### Acrylic Fibre

Acrylic Fibre is an integral part of the total textile fibre mix which satisfies clothing and other needs of an increasing population. Acrylic fibres are being extensively used for manufacturing various apparel such as sweaters, sportswear, socks, home furnishing, and industrial cloth due to their lightweight, flexibility, and low cost. With the rapid growth of the apparel & textile industry and increasing usage of acrylic fibres for making apparel, the overall acrylic fibre market is projected to rise at 3.9% CAGR between 2023 and 2033. Factors such as a rapidly growing population, changing lifestyle, increasing disposable income, and flourishing fashion industry are expected to indirectly influence the growth of acrylic fibre during the next ten years. The demand for acrylic fibers is anticipated to rise in the coming years, particularly due to the macroeconomic development of end-use sectors which is supported by regional GDP and population growth.

##### CPP Film

Packaging industry is an enormous economic generator on a global scale and is one of the largest & highest growth sectors of the Indian economy. Cast Polypropylene or CPP packaging films have several beneficial properties from industrial perspective such as transparency, high impact strength, heat sustainability, dimensional stability, printability and are manufactured using high grade raw materials, and laminating aspects. The global market for CPP packaging films is expected to reach US\$ 8,742.2 Mn by 2033, growing at a 4.2% CAGR from 2023 to 2033. CPP packaging films are readily used to increase the shelf life of the products in the industries such as food, beverages, apparel, cosmetics, and healthcare products. With the rising requirement for packaging across sectors, with traditional businesses preferring to package products, and the retail and e-commerce growing rapidly, the CPP films industry is projected to expand at a robust rate.

#### b) OPPORTUNITIES AND THREAT

The usage of acrylic fibers in blends with other materials like wool, cotton, polyester, etc. is growing in popularity as a result of their favorable physical, chemical, and thermo-biological properties. This will provide a strong thrust to the growth of the acrylic fiber market. The rapid growth of end-use sectors including apparel, home furnishing, and industrial will therefore continue to propel the sales of acrylic fibres in the upcoming years.

Global Acrylic Fibre consumption is impacted due to volatility in prices of raw material, energy, coal and other key inputs. The raw material to produce the Company's products is crude derived. The fluctuation in crude affects the raw material prices to some extent and during the year under the review, the crude prices remained volatile due to conflict in Israel-Hamas War & Russia-Ukraine War. Additionally, since the Company is dependent upon imports, the fluctuation in foreign exchange i.e. USD vs. INR has also a bearing on the margin of the Company.

The market for CPP Films is primarily driven by the rapidly expanding demand from the food and beverage sector and the rising use of bags and pouches in end-use industries. The market for CPP Films is expected to increase in the near future due to the rise in the consumption of convenience foods and the high need for packaging solutions. The development of consumer goods packaging has shown to be a major possibility for CPP film growth.

However, the market for CPP Film Market is moderately competitive owing to the presence of multiple vendors in the market. On the other hand, stringent regulations concerning packaging, changing consumer preferences and environmental pressures may restrain the growth to some extent.

#### c) SEGMENT-WISE / PRODUCT-WISE PERFORMANCE

##### Acrylic Fibre

The Company's Acrylic Fibre plant was set up in technical collaboration with SNIA BPD Italy, part of the famed FIAT group – a proven world leader in the manufacture of acrylic fiber. Advanced technology, automation, computerized process control systems and captive power, make the operations of your Company extremely efficient and reliable. The production capacity to produce Acrylic products of the Company is 42,000 MT PA.

During the year under review, the Company has recorded production of 31,534 MT and Sale of 31,685 MT, as against production of 36,425 MT and Sale of 35,260 MT respectively during the previous year. During the FY 2023-24 due to lower demand, production was declined around by 14% as compared to previous year.

Revenue of Acrylic Fibre during the year under review was Rs. 497.44 Crore as against revenue of Rs. 719.28 Crore in the previous year. Profit before tax, exceptional items and interest was Rs. 25.10 Cores as compared to Rs. 59.12 Cores in the previous year.

##### CPP FILM

The Company installed European machinery which ensures quality product giving edge over other producers. The Company's production capacity to produce CPP film is 10000 MT PA.

## **BOARD'S REPORT (Contd.)**

During the year under review, the production and sale of CPP film was 6,463 MT and 6,476 MT respectively as against production of 7,663 MT and sale of 7,640 MT respectively during the previous year.

Revenue of CPP Films during the year under review was Rs. 77.79 Crore as against revenue of 108.68 Crore in the previous year. Loss before tax, exceptional items and interest was Rs. 4.12 Cores as compared to loss of Rs. 7.06 Cores in the previous year. Loss of CPP segment is incurred during the year caused by persistent fall in selling prices on account of excessive production capacity added in the market.

Your company is covering both domestic and export markets and the Company's products are well accepted. During the year, the sale and production was declined due to lower demand but in the last quarter of FY 2023-24, it was improved due to better sentiments in the market and it is expected to improve in the coming years.

### **ETHANOL PROJECT**

Board of Directors, at its meeting held on 18<sup>th</sup> May, 2022, had accorded its approval to the Company to set-up Ethanol Project with a production capacity of 150 KLPD to align with GOI's Ethanol Blending Programme (E20), subject to clearance and approvals from the concerned statutory authorities. The setting-up of Ethanol Plant is under process. The Company has obtained Environment Clearance for the proposed project. The total Project cost is Rs. 167.58 crores. Indian Bank had sanctioned Term Loan of Rs. 108 Crores and as per stipulations of sanction letter, the remaining project cost of Rs. 59.58 would be met out of the Company's internal accruals. However, the Company has already spent around Rs. 92.17 Crore so far which includes Rs. 44.08 Crores of Term Loan and balance amount out of internal accruals. Civil work is going on at the site and major order for Plant & Machinery has been placed. Delivery of machines has been started.

### **d) OUTLOOK**

India's economic activity and GDP growth are expected to remain resilient despite ongoing geopolitical uncertainties. As a result, India is poised to become one of the major economies in the world with a promising growth outlook. Your Company anticipates sustained demand growth across segments.

According to Future Market Insights (FMI), India is expected to account for a substantial share of the global acrylic fibre market, owing to the rapid expansion of the textiles industry and the rise in the export of yarns and fibres. The rise in the number of textile industries in India is favoring the growth of the acrylic fibre market and the trend is likely to continue in the upcoming years. India is probably going to be the new development engine of the region's acrylic fibre market, propelled by a rising population, increasing disposable income, and changing lifestyle.

Demand for packaged foods is at an all-time high due to growing world population. Additionally, due to concerns about sanitation and health, consumers themselves prefer packaged meals. CPP films are also widely used in the pharmaceutical industry for packing pharmaceuticals to control the damage and contamination during transport. The global CPP Film Market is anticipated to rise at a considerable rate during the forecast period, between 2022 and 2027.

### **e) RISK AND CONCERN**

Geo-political tensions including supply chain disruption, subdued global economic conditions, changes in government policies and trade sanctions and restrictions, intense competition from local and global players, regulatory changes and cyber security threats are key risks which expose the Company to potential challenges and uncertainties. Furthermore, persistent volatility in input costs and foreign exchange risks remains on the radar. These factors can pose risks to the company's plans, operations, supply chains, cash flows and market access potentially dampening its export business.

Further, since the Company is dependent upon imported raw materials, movement in USD and increase in crude oil prices due to ongoing Israel-Hamas war and Russia-Ukraine war may affect the margin. The Company is giving thrust on increasing the exports so that effect can be mitigated. Global economy is likely to be hit by inflation, continuing high energy cost, logistics issues and costs in international trade. Tightening of monetary policies by Central banks to curb inflation may have necessary impact which will impact consumption in general including Acrylic Fiber & CPP Films Industry.

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 in films division.

The Company fully dedicates itself to quality and implements robust quality processes and systems at its manufacturing unit to ensure the safety and quality of its product. The Company consistently invests in equipment, processes, and systems to ensure full compliance with manufacturing and audit norms.

### **f) INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company maintains an adequate and effective Internal Control System commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting

## BOARD'S REPORT (Contd.)

principles, along with the assets of the Company being adequately safeguarded against significant misuse or loss. An independent Internal Audit function is an important element of the Company's Internal Control System. The internal control is supplemented by an extensive programme 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.

### g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company registered Revenue from Operations of Rs. 575.23 Crores as compared to Rs. 827.96 Crores for previous year with decline in revenue of 30.52 %. Profit before Tax was Rs. 18.40 Crore as compared to Rs. 48.45 Crore. Net Profit in financial year 2023-24 was Rs. 13.19 Crores as against Rs. 35.91 Crores in the previous financial year 2022-23. Revenue and Net profit during the year declined due to lower demand of acrylic fibre and negative return on CPP Segment caused by persistent fall in selling prices on account of excessive production capacity added in the market.

### h) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company believes that their workforce is an invaluable asset for the Company and Company endeavors to ensure the well-being of all its employees. The safety, health and work life balance of employees are extremely important. Company made all the required efforts to ensure safety of all workforce and employees.

Development and Training of team has always been a focus area of management. The Human Resource Development continues to be focused on improving employee productivity, reducing employee cost and building necessary skillsets whilst building employee motivation through varied employee engagement initiatives. To augment technical strength in existing business areas, various technical trainings covering existing business are being conducted on a regular interval. Regular safety training is imparted to all personnel at factory and regular review of safety incidents is done by top management.

The Company employed on an average 433 persons during the year.

### i) DETAILS OF SIGNIFICANT CHANGES (i.e. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR

In accordance with the SEBI Listing Regulations, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios including the following ratios.

Particulars	Unit	FY 2023-24	FY 2022-23	% change
Debtors' Turnover Ratio <sup>#</sup>	Times	10.74	12.83	-16.29%
Inventory Turnover Ratio <sup>#</sup>	Times	9.60	13.26	-27.60%
Interest Coverage Ratio	Times	35.60	Not Significant as there was no Term Loan during FY 2022-23.	-
Current Ratio	Times	2.83	2.82	0.35%
Debt Equity Ratio		0.13	Not Significant as there was no Term Loan during FY 2022-23.	-
Operating Profit Margin (%) <sup>*</sup>	%	3.58	6.22	- 42.44%
Net Profit Margin (%) <sup>*</sup>	%	2.25	4.29	-47.55%
Return on Net Worth <sup>*</sup>	%	4.09	12.07	-66.11%

<sup>#</sup> Debtors Turnover Ratio and Inventory Turnover Ratio are declined due to fall in turnover caused by low demand.

<sup>\*</sup> Operating Profit Margin, Net Profit Margin and Return on Net Worth are declined as cost of production was relatively high as compared to previous year.

### CAUTIONARY STATEMENT

Some of the statements in this Management Discussions & Analysis, describing the Company's objectives, outlook, projections, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied, since the Company's operations are influenced by external or internal factors. Your Company closely monitors all major developments likely to affect the Operations and will respond to meet the potential threats and to gain from any possible opportunities.

## **BOARD'S REPORT (Contd.)**

### **SUBSIDIARY COMPANIES**

As on 31<sup>st</sup> March, 2024, the Company does not have any subsidiary, associate or joint venture company.

### **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 31<sup>st</sup> March, 2024, 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 Companies Act, 2013, not less than two-thirds of total number of directors shall be liable to retire by rotation, out of which one-third directors shall retire by rotation at every Annual General Meeting. However, "total number of directors" shall not include independent directors.

The Company has two Non-Independent Directors – Mr. Vineet Jain (Managing Director) and Mr. Satya Prakash Gupta (Director-Operations). Mr. Vineet Jain, being Managing Director, is not liable to retire by rotation by virtue of Articles of Association of the Company. Accordingly, 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, the present term of Mr. Satya Prakash Gupta as Whole Time Director of the Company is due to expire on 28<sup>th</sup> May, 2024. Mr. Gupta is a chemical engineer and is possessing high level of expertise and having industry experience of about 46 years. Based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the shareholders at the ensuing Annual General Meeting, the Board of Directors, at its meeting held on 17<sup>th</sup> May, 2024, has approved the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director designated as Director – Operations of the Company for a period of 3 (three) consecutive years effective from 29<sup>th</sup> May, 2024 and his continuance after attaining the age of 70 years till the date of his term of office. Mr. Gupta has submitted his consent for re-appointment as Whole Time Director of the Company.

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

Mr. S.C. Malik will attain the age of 75 years on 10<sup>th</sup> January, 2025 and hence, in terms of Regulation 17(1A) of SEBI Listing Regulations, approval of shareholders by way of special resolution is required for the continuation of his directorship from the day he attains the age of 75 years till the expiry of his current term i.e. till the conclusion of 42<sup>nd</sup> Annual General Meeting to be held in the year of 2025.. Mr. S.C. Malik is a Chartered Accountant and he is having good experience in Finance & Accounting, Corporate Restructuring, Risk Management, Audit, Corporate Governance and Corporate Social Responsibility. He has been associated with the company for the last 30 years.

In the opinion of the Board, Mr. Satya Prakash Gupta and Mr. S.C. Malik possess the requisite expertise, skills, integrity and experience for re-appointment/continuance. The Board recommends their re-appointment/continuance and resolutions seeking shareholders' approval for their re- appointment/continuance form part of the AGM Notice.

### **KEY MANAGERIAL PERSONNEL**

During the year under review, there was no change in Key Managerial Personnel (KMPs). As on 31<sup>st</sup> March, 2024, the Company had the following 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 Regulations. 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.

## BOARD'S REPORT (Contd.)

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 Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is available on the website of the Company [www.pasupatiacrylon.com](http://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, 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, structure & independence of committees, contribution to decisions of the Board 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, role & responsibilities and strategy & performance, Governance & compliance 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 28<sup>th</sup> October, 2023, reviewed the performance of non-independent directors, the Board as a whole and Managing Director 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) and 134(5) 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 31<sup>st</sup> March, 2024; the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March, 2024 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.

## **BOARD'S REPORT (Contd.)**

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### **CORPORATE GOVERNANCE**

The company has complied with the Corporate Governance code as stipulated under SEBI Listing Regulations. 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.

### **PROCEEDINGS PENDING UNDER THE INSOLVENCY & BANKRUPTCY CODE, 2016**

No application has been made or any proceeding is pending under the Insolvency & Bankruptcy Code, 2016.

### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

There are no instances of one-time settlement with any Bank or Financial Institution, during the year under review.

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

In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, all related party transactions are placed before the Audit Committee for prior approval and also before the Board wherever necessary. Prior omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

During the year under review, all Contracts/arrangements/transactions entered into by the Company with related parties were in the ordinary course of business and were on an arm's length basis and in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, the SEBI Listing Regulations and Company's Policy on Related Party Transactions.

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. 37 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'S 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](http://www.pasupatiacrylon.com).

The Company's total CSR obligation for the financial year 2023-24 was Rs. 112.54 Lakh. However, an amount of Rs. 16,000/-, which was excess spent in Financial Year 2022-23, was also available for set-off against the Company's CSR obligations for the financial year 2023-24 in terms of 3<sup>rd</sup> Proviso to Section 135(5) of the Companies Act, 2013 read with Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, but Board decided not to set-off the said excess amount.

## **BOARD'S REPORT (Contd.)**

In view of the above, the Company has spent Rs. 113.00 Lakh towards the CSR activities during the financial year 2023-24 and hence, the Company's CSR obligation for FY 2023-24 has been duly met in compliance with Section 135(5) of the Companies Act, 2013.

Further, in terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Chief Financial Officer has certified that the funds disbursed for CSR have been used for financial year 2023-24, for the purpose and in the manner approved by the Board.

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](http://www.pasupatiacrylon.com).

### **AUDITORS AND AUDITOR'S REPORT**

#### **Statutory Auditors**

M/s B.K. Shroff & Co., Chartered Accountants (ICAI Firm Registration No. 302166E) was appointed as Statutory Auditors of the Company at the 39<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 29<sup>th</sup> September, 2022 for a period of 5 years commencing from the 39<sup>th</sup> AGM till the conclusion of the 44<sup>th</sup> AGM. The Auditors have confirmed that they continue to fulfill the eligibility criteria for holding the office as Statutory 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 or disclaimer.

#### **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 Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, Board of Directors, on the recommendation of the Audit committee, appointed Mr. Satnam Singh Saggi, Cost Accountants as Cost Auditors of your company for the Financial Year 2024-25 to carry out the cost audit for the applicable business on a remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus applicable taxes and reimbursement of out of pocket expenses. A certificate from Mr. Satnam Sigh Saggi, Cost Accountants has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and Rules made thereunder. Accordingly, the matter relating to ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2025 is being placed at the 41<sup>st</sup> Annual General Meeting.

#### **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 Board of Directors of the Company, at its meeting held on 9<sup>th</sup> May, 2023, had appointed M/s. Mehak Gupta & Associates, Practicing Company Secretary (CP No. 15013, Membership No. 10703), to undertake Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2024 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 or disclaimer.

#### **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 2023-24.

## BOARD'S REPORT (Contd.)

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### Internal Financial Control

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 Company has a proper system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly.

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

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 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.

### 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. 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](http://www.pasupatiacrylon.com).

#### Cyber Security

In view of the increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios.

#### Particulars of Loans , Investments, Guarantees.

During the year under review, the Company has not given any loan or provided any security or guarantee in terms of Section 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Companies Act, 2013. Particulars of Loans given/Investments made/Guarantees given/Securities is disclosed in financial statements.

#### 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 amendments to the provisions of Section 92(3) read with Section 134 (3) (a) of Companies Act, the annual return as on 31<sup>st</sup> March, 2024 is available on the website of the Company at [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) under Investor Section.

#### 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.





## BOARD'S REPORT (Contd.)

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### RANKING OF THE COMPANY AMONGST BS1000 COMPANIES

Your Company has been covered and ranked by Business Standard among the prestigious BS1000 Companies in March, 2024 Edition as per below ranking:

1. ranked at 54<sup>th</sup> in terms of sector performance under “Textile & Garments” sector;
2. ranked at 283<sup>rd</sup> based on Financial Sustainability Index (FSI); and
3. ranked at 903<sup>rd</sup> in terms of revenue amongst the prestigious BS1000 Companies.

BS 1000 magazine is a comprehensive guide to India's biggest and financially most successful listed and unlisted companies excluding banking, financial services, and insurance (non-BFSI) firms. The Companies are ranked on their Financial Sustainability Index (FSI) based on their past performance and financial stability. The index is based on six financial ratios that together capture a firm's historical earning power, ability to generate internal accruals, debt servicing capability, balance sheet strength, operational efficiency and relative market valuation. A company ranking higher on the FSI index have superior balance sheets, strong cash flows, and higher profitability and has greater staying power to withstand economic turmoil. A company with the best record on these parameters can always be relied upon to grow faster and increase the value of its shareholders.

### ISO CERTIFICATION

Your Company is an ISO 9001:2015, accredited by Bureau of Indian Standard, Rooid Voor Accreditatie, and Netherland and OKEO TEX STANDARD 100 Class 1 Appendix 6. Furthermore, the Company's CPP Product meets the requirements set out in the BRC Global Standard for Packaging & Packaging Material and is categorized as HIGH HYGINE Grade A by the BRCGS. These certifications/recognitions are indicative of our commitments in meeting global quality standards and thrust excellence for achieving customer satisfaction.

### 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

**Vineet Jain**  
Managing Director  
DIN: 00107149

**Satya Prakash Gupta**  
Director – Operations  
DIN: 00509809

**Place:** New Delhi  
**Date:** 17<sup>th</sup> May, 2024

**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. Details 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 which are not at arm's length basis. – NIL**
- 2. Contracts/arrangements/transactions 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:**

S. 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.	Vigar Enterprises Private Limited (Common Director)	Purchase of organic grocery products for official use	Perpetual Agreement	Purchase of organic grocery products at arm's length basis, with a maximum limit of Rs.12 Lakh per annum.	10 <sup>th</sup> August, 2019	Nil	The related party is engaged in the dealing of organic grocery products and the Company requires the grocery products for its official use from time to time. Hence, the Company entered into an agreement with the related party to purchase the grocery products for its official use.
2.	Prabhat Capital Services Limited (Promoter Group Company)	Payment of lease rent	3 Years w.e.f 1 <sup>st</sup> April, 2021	Payment of lease rent @ Rs. 15,400/- per month plus Rs. 15,400/- per month towards maintenance charges	Since long	Nil	The Company required a office at Ludhiana for marketing and sale of its products. Accordingly, the Company took office from related party on lease for its official use.
3.	Vigar Enterprises Private Limited (Common Director)	Payment of lease rent	For a period of 29 years 11 months w.e.f 16 <sup>th</sup> May, 2022	The Company has executed a lease agreement with related party to take the land (2.87 Acre) on lease basis at a price of Rs. 5,000/- per acre p.a. till 31 <sup>st</sup> July, 2023. Further, as per mutual agreement between the Company and related party and as approved by Audit Committee & Board of Directors at their respective meetings held on 10 <sup>th</sup> August, 2023, lease rent has been revised to Rs. 5,000/- per acre per month w.e.f 1 <sup>st</sup> August, 2023.	18 <sup>th</sup> May, 2022 and 10 <sup>th</sup> August, 2023	Nil	The Company required additional land to set-up its Ethanol Plant adjoining to its existing manufacturing unit at Thakurdwara. As the related party owns land in that area, the Company has taken their land on lease basis for establishing Ethanol Plant. Accordingly, the transaction is in the interest of the Company.

**BOARD'S REPORT (Contd.)**

S. 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
4.	Sulabh Plantations & Finance Pvt. Ltd. (Promoter Group Company and shareholding by relative of director)	Payment of Lease Agreement	For a period of 29 years 11 months w.e.f 16 <sup>th</sup> May, 2022	The Company has executed a lease agreement with related party to take the land (12.45 Acre) on lease basis at a price of Rs. 5,000/- per acre p.a. till 31 <sup>st</sup> July, 2023. Further, as per mutual agreement between the Company and related party and as approved by Audit Committee & Board of Directors at their respective meetings held on 10 <sup>th</sup> August, 2023, lease rent has been revised to Rs. 5,000/- per acre per month w.e.f 1 <sup>st</sup> August, 2023.	18 <sup>th</sup> May, 2022 and 10 <sup>th</sup> August, 2023	Nil	The Company required additional land to set-up its Ethanol Plant adjoining to its existing manufacturing unit at Thakurdwara. As the related party owns land in that area, the Company has taken their land on lease basis for establishing Ethanol Plant. Accordingly, the transaction is in the interest of the Company.
5.	Pasupati Advanced Films Pvt. Ltd. (Common Director)	Payment of Lease Agreement	For a period of 29 years 11 months w.e.f 16 <sup>th</sup> May, 2022	The Company has executed a lease agreement with related party to take the land (4.68 Acre) on lease basis at a price of Rs. 5,000/- per acre p.a. till 31 <sup>st</sup> July, 2023. Further, as per mutual agreement between the Company and related party and as approved by Audit Committee & Board of Directors at their respective meetings held on 10 <sup>th</sup> August, 2023, lease rent has been revised to Rs. 5,000/- per acre per month w.e.f 1 <sup>st</sup> August, 2023.	18 <sup>th</sup> May, 2022 and 10 <sup>th</sup> August, 2023	Nil	The Company required additional land to set-up its Ethanol Plant adjoining to its existing manufacturing unit at Thakurdwara. As the related party owns land in that area, the Company has taken their land on lease basis for establishing Ethanol Plant. Accordingly, the transaction is in the interest of the Company.
6.	Vigar Enterprises Private Limited (Common Director)	Receipt of security by way of charge/ mortgage on leased land and Corporate Guarantee to the extent of value of mortgaged land, in connection with the term loan of Rs. 108 crore availed/ to be availed by the Company for Ethanol Project.	Till the repayment of term loan by the Company or any other date as mutually agreed upon by the parties.	Indian Bank has, vide its sanction letter dated 24.03.2023, sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land measuring aggregate 20 Acres, at which the Ethanol Plant is being established, would be mortgaged by all three related parties in favour of Indian Bank to secure the amount of Term Loan not exceeding Rs. 5.61 Crore aggregate of all related parties and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan.	10 <sup>th</sup> August, 2023	Nil	Indian Bank has sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land would be mortgaged by the related party in favour of Indian Bank and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan. Accordingly, the transaction is in the interest of the Company.

## BOARD'S REPORT (Contd.)

S. 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
7.	Sulabh Plantations & Finance Pvt. Ltd. (Promoter Group Company and shareholding by relative)	Receipt of security by way of charge/ mortgage on leased land and Corporate Guarantee to the extent of value of mortgaged land, in connection with the term loan of Rs. 108 crore availed/ to be availed by the Company for Ethanol Project.	Till the repayment of term loan by the Company or any other date as mutually agreed upon by the parties.	Indian Bank has, vide its sanction letter dated 24.03.2023, sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land measuring aggregate 20 Acres, at which the Ethanol Plant is being established, would be mortgaged by all three related parties in favour of Indian Bank to secure the amount of Term Loan not exceeding Rs. 5.61 Crore aggregate of all related parties and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan.	10 <sup>th</sup> August, 2023	Nil	Indian Bank has sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land would be mortgaged by the related party in favour of Indian Bank and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan. Accordingly, the transaction is in the interest of the Company.
8.	Pasupati Advanced Films Pvt. Ltd. (Common Director)	Receipt of security by way of charge/ mortgage on leased land and Corporate Guarantee to the extent of value of mortgaged land, in connection with the term loan of Rs. 108 crore availed/ to be availed by the Company for Ethanol Project.	Till the repayment of term loan by the Company or any other date as mutually agreed upon by the parties.	Indian Bank has, vide its sanction letter dated 24.03.2023, sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land measuring aggregate 20 Acres, at which the Ethanol Plant is being established, would be mortgaged by all three related parties in favour of Indian Bank to secure the amount of Term Loan not exceeding Rs. 5.61 Crore aggregate of all related parties and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan.	10 <sup>th</sup> August, 2023	Nil	Indian Bank has sanctioned term loan of Rs. 108 Crore to the Company for Ethanol Project of the Company and as per stipulations of sanction letter, leased land would be mortgaged by the related party in favour of Indian Bank and related party would give corporate guarantee to the extent of value of mortgaged land in favour of Indian Bank as security towards the term loan. Accordingly, the transaction is in the interest of the Company.

For and on behalf of the Board

**Vineet Jain**  
Managing Director  
DIN: 00107149

**Satya Prakash Gupta**  
Director – Operations  
DIN: 00509809

Place: New Delhi  
Date: 17<sup>th</sup> May, 2024

### Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2023-24

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 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 Companies Act, 2013. 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 CSR policy is placed on its website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com).

#### 2. Composition Of CSR Committee:

S. 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 (Whole-time 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.

- Composition of CSR Committee: <https://pasupatiacrylon.com/investors/#CompositionofvariouscommitteesofBoardofDirectors>
- CSR Policy: <https://pasupatiacrylon.com/wp-content/uploads/2023/04/Corporate-Social-Responsibility-CSR-Policy.pdf>
- CSR Projects approved by the Board: [https://pasupatiacrylon.com/wp-content/uploads/2024/03/Modified-CSR-ANNUAL-ACTION-PLAN\\_FY2023-24.pdf](https://pasupatiacrylon.com/wp-content/uploads/2024/03/Modified-CSR-ANNUAL-ACTION-PLAN_FY2023-24.pdf)

#### 4. Provide the executive summary along with web-link(s) 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 – Not Applicable

- Average net profit of the company as per section 135(5) – Rs. 5,626.93 Lakh
  - Two percent of average net profit of the company as per section 135(5) – Rs. 112.54 Lakh
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - Nil
  - Amount required to be set off for the financial year, if any – Nil
  - Total CSR obligation for the financial year [(b)+(c)-(d)]. – Rs. 112.54 Lakh
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – Rs. 113.00 Lakh
  - Amount spent in administrative overheads – Nil
  - Amount spent on Impact Assessment, if applicable – Not Applicable
  - Total amount spent for the Financial Year [(a)+(b)+(c)] – Rs. 113.00 Lakh
  - CSR amount spent or unspent for the Financial Year:

## BOARD'S REPORT (Contd.)

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. 113.00 Lakh	Not Applicable				

(f) Excess amount for set off, if any:

Sl. No. (1)	Particular (2)	Amount (Rs. In Lakh) (3)
(i)	Two percent of average net profit of the company as per section 135(5)	112.54
(ii)	Total amount spent for the Financial Year	113.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.46
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.46

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the Financial Year (Rs.in Lakh)	Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(5), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.).	Deficiency, if any
					Amount (in Rs).	Date of transfer		
					NIL			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable

**Vineet Jain**  
Managing Director &  
Member of CSR Committee  
DIN: 00107149

**S.C. Malik**  
Independent Director &  
Chairman of CSR Committee  
DIN: 00107170

Place: New Delhi

Date: 17<sup>th</sup> May, 2024

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**  
[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**  
**CIN: L50102UP1982PLC015532**  
**Thakurdwara, Kashipur Road,**  
**Distt. Moradabad, Uttar Pradesh-244601, India**

I, Mehak Gupta, Proprietor of Mehak Gupta & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PASUPATI ACRYLON LIMITED** (CIN- L50102UP1982PLC015532) (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 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:

I have examined the books, papers, minute's books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (as amended) (**'the Act'**) and the rules made there under;
- (ii) Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) 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;
- (vi) 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 (as amended);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended); - **(Not applicable to the Company during the audit period).**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **(Not applicable to the Company during the audit period).**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **(Not applicable to the Company during the audit period).**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **(Not applicable to the Company during the audit period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **(Not applicable to the Company during the audit period).**

## BOARD'S REPORT (Contd.)

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vii) I further report that, having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the provisions of Labour Laws, Environmental Laws and other related Industry specific laws to the extent applicable to the Company.

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, there was no change in the composition of the Board of Directors.

Adequate notice has been given to all Directors to schedule the Board Meetings/Committee Meetings during the financial year under review, agenda and detailed notes on agenda were sent generally at least seven days in advance to all the Directors 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 and Committees' Meetings were unanimous and there were no dissenting views.

I further report that, based on the review of the compliance reports and the certificates of the Company Executive and taken on record by the Board of Directors of the Company, in my opinion 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. The Company is generally regular in filing of e-forms with the Registrar of Companies within the time prescribed under the Act.

I further report that during the audit period, there was no specific event/action having a major bearing on Company's affairs in pursuance of the aboveresferred laws, rules, regulations, guidelines, standards, etc.

### I further have to state that:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where-ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report 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.

For Mehak Gupta & Associates  
Company Secretaries

Mehak Gupta  
Prop.

FCS No.: 10703

C P No.: 15013

Peer Review No. 1643/2022

UDIN: F010703E000235400

Place: Delhi

Date: 25<sup>th</sup> April, 2024



**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 31<sup>ST</sup> MARCH, 2024**

**(A) CONSERVATION OF ENERGY**

1. Energy conservation measures taken during the year are as under:  
Replacement of impulse type 8 MW Turbine with reaction turbine
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 would save energy consequently the cost of production:  
Saving of approx. 1.00 Ton/hour steam *i.e.* saving per year = Rs. 100.00 Lakh

**(B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : N.A
2. Benefits derived as a result of the above efforts *e.g.* product improvement, : N.A  
cost reduction, product development, import substitution etc.:
3. Particulars of imported technology in the last five years:
  - i) Technology imported : N.A
  - ii) Year of import : N.A
  - iii) Has technology been fully absorbed : N.A  
If not fully absorbed, reason for & future action plan : N.A
4. Expenditure on R&D.

(Rs.in Lakh)

S.No.	PARTICULARS	2023-24	2022-23
i)	Capital	-	-
ii)	Recurring	72.38	72.10
iii)	<b>TOTAL</b>	72.38	72.10
iv)	Total R&D expenditure as a percentage of total turnover	0.12%	0.09%

**(C) FOREIGN EXCHANGE EARNINGS & OUTGO**

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.  
The Company is continuously exploring new markets and increasing exports. During the year, Company's exports were 3,044 MT *i.e.* 7.98 % of total quantity sold as against 4,551 MT *i.e.* 10.61 % of total quantity sold in previous year.

**2. Total Foreign Exchange Used & Earned**

(Rs. in Lakhs)

Foreign Exchange Utilised		2023-2024	2022-2023
i)	Travelling	12.69	11.65
ii)	Interest & other charges	33.91	51.26
iii)	Commission on export sales	10.05	2.62
iv)	CIF Value of Imports :		
	- Raw Material	30,627.24	48,036.64
	- Stores and spares	20.96	23.95
	- Capital Expenditure	-	-
Foreign Exchange Earned			
FOB Value of Exports (excluding Rs. Nil) export in INR - (Previous year Rs. Nil Lakh)		4,513.52	9,331.73

## PARTICULARS OF REMUNERATION OF DIRECTORS /KMPs/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)

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director /KMP for Financial Year 2023-24	Percentage increase in Remuneration of Director/ KMP for Financial Year 2023-24	Ratio of Remuneration of each Director / KMP to the Median Remuneration of Employees
1	Mr. Vineet Jain Managing Director	121.19	-52.22	32.95
2	Mr. Satya Prakash Gupta Director (Operations)	35.87	17.72	9.75
3	Mr. S.C. Malik' (Non-executive & Independent Director)	0.36	-	Not Applicable, as only sitting fees was paid during the financial year 2023-24.
4	Mr. D K Kapila' (Non-executive & Independent Director)	0.15	-	Not Applicable, as only sitting fees was paid during the financial year 2023-24.
5	Mrs. Kamlesh Gupta' (Non-executive & Independent Director)	0.14	-	Not Applicable, as only sitting fees was paid during the financial year 2023-24.
6	Mr. S. Sathyamoorthy' (Non-executive & Independent Director)	0.15	-	Not Applicable, as only sitting fees was paid during the financial year 2023-24.
7	Mr. Satish Kumar Bansal Chief Financial Officer	24.69	13.50	6.71
8	Mr. Bharat Kapoor Company Secretary	9.36	4.22	2.54

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

- b) The percentage increase in the Median Remuneration of Employees in the Financial Year 2023- 24: of about 12.52 %, reflecting an improvement in the overall employee pyramid.
- c) The number of permanent employees on the rolls of the Company is 433 as on 31<sup>st</sup> March, 2024.
- d) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year was about 12.58%. The increase in remuneration is determined based on the great designation of the employee of the Company.
- e) It is hereby affirmed that the remuneration is as per the remuneration policy of the company.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2023-24**  
{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 (‘SEBI 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 2023-24.

The composition and category of directors and also number of other directorships and committees’ memberships/chairmanship held by them in other companies as on 31<sup>st</sup> March, 2024 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 Companies alongwith nature of Directorship
1.	Mr. Vineet Jain	Managing Director & Executive Director (Promoter)	-	-	-	-
2.	Mr. D. K. Kapila	Non-executive 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	1	2	1	Sai Capital Limited- (Independent Director)
6	Mr. Satya Prakash Gupta	Director (Operations)- Executive Director	-	-	-	-

**Note:**

- There are no inter-se relationships amongst board members.
- In accordance with Regulation 26 (1) of SEBI Listing Regulations, memberships/chairpersonship 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 as on 31<sup>st</sup> March , 2024 are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Act and SEBI Listing Regulations. 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.

Except Mr. Vineet Jain – Managing Director, none of the Directors and Key Managerial Personnel hold 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 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 SEBI Listing Regulations to the extent it is relevant and applicable. However, in case of urgent matters, the Board's approval is taken by passing resolutions by way of circulation, as permitted by law, which are noted and confirmed in the subsequent Board meeting.

During the Financial Year 2023-24, the Board met 4 (four) times on 9<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 2<sup>nd</sup> February, 2024. The maximum gap between any two consecutive meetings did not exceed the number of days as stipulated the Companies Act and SEBI Listing Regulations.

Details of attendance of the directors at the Board Meetings held during the year 2023-24 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 29.09.2023
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	Yes
4.	Mr. S. Sathyamoorthy	Independent Director	4	4	No
5.	Mr. Satya Prakash Gupta	Director (Operations)- Executive Director	4	4	Yes
6	Mrs.Kamlesh Gupta	Independent Woman Director	4	4	Yes

#### (c) Independent Director

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of SEBI 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(7) of SEBI 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, amendment in statutory provisions, through various presentations during the Board Meetings. The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to be familiarized 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. [https://pasupatiacrylon.com/wp-content/uploads/2023/08/Familiarization-Programme\\_FY-2023-24.pdf](https://pasupatiacrylon.com/wp-content/uploads/2023/08/Familiarization-Programme_FY-2023-24.pdf)

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have submitted the declaration that they meet the criteria of independence as provided in Regulation 16 (1) (b) of SEBI Listing Regulations and they are not aware of any circumstance

or situation which exist 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 has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of SEBI Listing Regulations and that they are independent of the management. None of the Independent Directors of the Company has resigned during the year.

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

In accordance with Regulation 25(3) of SEBI Listing Regulations read with the provisions of Schedule IV of the Act, a separate meeting of the Independent Directors was held during the year on 28<sup>th</sup> October, 2023 without the presence of Non-Independent directors, 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/Board 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 of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Mr. D.K. Kapila was unanimously elected as Chairman of the meeting and all independent directors were present at the meeting. The Independent Directors also discussed matters pertaining to the Company's affairs and functioning of the Board.

**(e) Matrix setting out 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, 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. D.K. Kapila–Independent Director	Finance & Accounting, Legal & Governance, Public Relations
Mr. S.C. Malik –Independent Director	Finance & Accounting, Corporate Restructuring, Risk Management, Corporate Social Responsibility
Mr. S. Sathyamoorthy– Independent Director	Human Resource Management & Industrial Laws, Understanding of government legislation/ legislative process
Mr. Satya Prakash Gupta –Director (Operations)	Plant Operations, Strategy & Risk Management, Technical Expertise
Mrs. Kamlesh Gupta– Independent Director	Finance & Accounting, Taxation

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

Shareholders of the Company, at their Annual General Meeting held on 28<sup>th</sup> September, 2021, approved the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director designated as Director – Operations of the Company for a period of three consecutive years w.e.f 29<sup>th</sup> May, 2021 to 28<sup>th</sup> May, 2024. Accordingly, the present term of Mr. Gupta as Whole Time Director of the Company is due to expire on 28<sup>th</sup> May, 2024.

Based on the recommendation of the Nomination & Remuneration Committee, the Board, at its meeting held on 17<sup>th</sup> May, 2024, has approved the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director designated as Director – Operations of the Company for a period of 3 (three) consecutive years effective from 29<sup>th</sup> May, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting. Mr. Gupta has submitted his consent for re-appointment as Whole Time Director of the Company.

Mr. Gupta is a chemical engineer and is possessing high level of expertise and having industry experience of about 46 years. Considering the vast experience, knowledge and the possession of relevant expertise by Mr. Satya Prakash Gupta, the Board has recommended his re-appointment and continuance after attaining the age of 70 years till the date of his term of office.

Further, Mr. S.C. Malik will attain the age of 75 years on 10<sup>th</sup> January, 2025 and hence, in terms of Regulation 17(1A) of SEBI Listing Regulations, approval of shareholders by way of special resolution is required for the continuation of his directorship from the day he attains the age of 75 years till the expiry of his current term *i.e.* till the conclusion of 42<sup>nd</sup> Annual General Meeting to be held in the year of 2025. Mr. S.C. Malik is a Chartered Accountant and he is having good experience in Finance & Accounting, Corporate Restructuring, Risk Management, Audit, Corporate Governance and Corporate Social Responsibility. He has been associated with the company for the last 30 years. Considering his performance evaluation, skills, contributions, valuable guidance and keeping in view of the experience, knowledge and the possession of relevant expertise by Mr. Malik, Board has recommended the continuation of directorship of Mr. Malik from the day he attains the age of 75 years till the expiry of his current term *i.e.* till the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company.

Resolutions seeking shareholders' approval for re-appointment/continuation of directors form part of the AGM Notice. As per Regulation 36 of SEBI Listing Regulations, 2015, the brief details of the director proposed to be re-appointed/continued are given in the notice of 41<sup>st</sup> 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 Act 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. approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. 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 judgment 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;
5. reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. approval or any subsequent modification of transactions of the Company with related parties;
8. scrutiny of inter-corporate loans and investments, if any;
9. valuation of undertakings or assets of the company, wherever it is necessary;
10. evaluation of internal financial controls and risk management systems;
11. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. 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;
13. discussion with internal auditors on any significant findings and follow up there on;
14. 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;
15. 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;
16. reviewing the functioning of the Whistle Blower Mechanism;

17. approval of appointment of Chief Financial Officer /Finance Director or any other person heading the finance function after assessing the qualifications, experience & background, etc. of the candidate;
18. review of compliances with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code on Insider Trading;
19. 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. management letters/letters of internal control weaknesses issued by the statutory auditors;
3. Internal Audit Reports relating to internal control weaknesses; and
4. 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 SEBI Listing Regulations and Section 177 of the Act. The members of the Audit Committee are financially literate and have expertise in accounting and financial management.

During the year under review, 4 (Four) meetings of Audit Committee were held on 9<sup>th</sup> May, 2023, 10<sup>th</sup> August, 2023, 28<sup>th</sup> October, 2023 and 2<sup>nd</sup> February, 2024.

The Composition of the committee and attendance details of the members at these meetings for the year 2023-24 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	4
5	Mr. Satya Prakash Gupta (Whole-time Director)	Member	4	4

The Statutory Auditor, Internal Auditors and Chief Financial Officer also attend the meetings as invitees, whenever required to address concerns raised by the Committee members. The Company Secretary acts as a Secretary to the meetings.

**4. Nomination & Remuneration Committee**

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

**(a) Terms of Reference-**

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

- (i) formulation of 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;
- (ii) in the case of appointment of an independent director, evaluation of balance of skills, knowledge and experience on the Board and preparation of a description of the role and capabilities required for an independent director;
- (iii) formulation of criteria for evaluation of performance of independent directors and Board;
- (iv) devising a policy on diversity of Board of Directors;
- (v) Identification of persons qualified to become directors and recommend to the Board, appointment/re-appointment and removal of Director and Senior Management Personnel on the basis of performance and HR Policies or as per criteria laid down in Nomination & Remuneration Policy;
- (vi) recommend to the Board, all remuneration, in whatever form, payable to senior management..
- (vii) 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;
- (viii) Such other matters as per the requirement of Regulation 19 of SEBI Listing Regulations and the 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](http://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, 1 (one) meeting of the Nomination & Remuneration Committee was held on 9<sup>th</sup> May, 2023. All the members of the Committee attended the meeting. The Company Secretary acts as a Secretary to the meetings.

The details of the Composition and attendance of each member at this meeting for the year 2023-24 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

**(c) Performance Evaluation**

In terms of the applicable provisions of the Companies Act, 2013 and SEBI 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 various criteria such as composition, functions, responsibilities, effectiveness, structure, competencies, strategy, independence and contribution, risk identification and its control, diversity, and nature of business. As required under SEBI 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>.

**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 aforesaid evaluation, the directors who are subject to evaluation do not participate:

- i. Attendance and Participation in Board /Committee/General Meetings;
- ii. Understanding duties, responsibilities and liabilities as a director;
- iii. Ability to remain focused at a governance level in Board/Committee Meetings;
- iv. Adequate qualifications and relevant experience in the industry and business environment;
- v. Bringing relevant experience to the Board and uses it effectively;
- vi. Understanding the vision and mission of the Company, strategic plans and key issues;
- vii. Understanding and fulfilling the function as assigned by the Board/law;
- viii. Actively take initiative with respect to various areas;
- ix. Demonstrating highest level of integrity including conflict of interest disclosure, maintenance of confidentiality etc.;
- x. Rendering independent judgment and unbiased opinion in relation to decision making;
- xi. Timely inputs on the minutes of the board and Committees if any;
- xii. Director has effectively assisted the company in implementing best corporate governance practice and its monitoring;
- xiii. Adhere to the legal obligations, applicable code of conduct and policies;
- xiv. Director is effective and successful in managing relationships with board members and senior management;
- xv. Competency, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the Board/Committee;
- xvi. Understanding of governance, regulatory, financial, fiduciary and ethical requirements of the Board/Committees;
- xvii. Actively and successfully refreshes his/her knowledge and skills and up to date with the latest developments in areas such as corporate governance framework, financial reporting, industry and market conditions;
- xviii. Maintains a high standard of ethics and integrity;
- xix. Independence from the Company and other directors;
- xx. Adequately commitment to the Board and the Company.



## 5. Stakeholders' Relationship Committee

Pursuant to the provisions of Section 178 of the Act read with Regulation 20 of SEBI 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 SEBI Listing Regulations and Section 178 of the Act. The role of the Committee inter- alia includes the following:

- resolving the grievances of the shareholders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends (if any), 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 under review, 11 (Eleven) Stakeholders Relationship Committee meetings were held on 27<sup>th</sup> April, 2023, 15<sup>th</sup> May, 2023, 20<sup>th</sup> June, 2023, 28<sup>th</sup> July, 2023, 16<sup>th</sup> August, 2023, 5<sup>th</sup> October, 2023, 3<sup>rd</sup> November, 2023, 27<sup>th</sup> November, 2023, 22<sup>nd</sup> December, 2023, 6<sup>th</sup> February, 2024 and 8<sup>th</sup> March, 2024. 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 2023-24 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	11	11
2	Mr. Vineet Jain (Executive Managing Director)	Member	11	10
3	Mr. S.P Gupta (Whole-time Director)	Member	11	11

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](mailto:palsecretarial@gmail.com).

During the year under review, the Company has received 67 (sixty seven) queries/complaints from the shareholders including two complaints received through stock exchanges. All the complaints were resolved and there was no complaint pending as on 31<sup>st</sup> March, 2024.

## 6. 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 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 <https://pasupatiacrylon.com/wp-content/uploads/2022/04/Risk-Management-Policy.pdf>.

During the year no Risk Management Committee meeting was held. The details of the Composition of the Risk Management Committee as on 31<sup>st</sup> March, 2024 are given below:-

Sl. No.	Name of Member	Position in 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 (Whole-time Director)	Member

**7. 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:

- i. 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;
- ii. to identify the areas/activities/projects/programmes for CSR expenditure;
- iii. to review and recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
- iv. 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 [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com). The CSR Policy lays down areas of activities, thrust area, types of projects, programs, modes of undertaking projects/programs etc.

During the year, 3 (three) Corporate Social Responsibility Committee meetings were held on 9<sup>th</sup> May, 2023, 29<sup>th</sup> November, 2023 and 20<sup>th</sup> March, 2024.

The details of the Composition and attendance of each member at these meetings for the year 2023-24 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

**8. Particulars of Senior Management Personnel as an 31<sup>st</sup> March, 2024 and changes therein since the close of previous financial year:**

Sl. No.	Name of Senior Management Personnel	Designation	Changes if any, during the financial year 2023-24 (Yes / No)	Nature of change and effective date
1.	Mr. Vineet Jain	Managing Director	No	-
2	Mr. Satya Prakash Gupta	Director - Operations	No	-
3	Mr. Manish Jain	Executive Vice President	No	-
4	Mr. Raj Kumar Aggarwal	Sr. Vice President (Engg.)	No	-
5	Mr. Shyam Bajpai	Sr. Vice President (Marketing)	No	-
6	Mr. Sanjay Akhauri	Vice President (Purchase)	No	-
7	Mr. Satish Kumar Bansal	Chief Financial Officer	No	-
8	Mr. Mainpal Vishwakarma	Sr. General Manager - Mech.	No	-
9	Mr. Deepak Kumar Gupta	Sr. General Manager - Mech	No	-
10	Mr. Manoj Kumar Lohani	Sr. General Manager (Marketing)	No	-
11	Mr. Sompal Singh Tomer	General Manager (Production)	No	-
12	Mr. Indra Kumar Chaurasia	General Manager (Finance & Accounts)	No	-
13	Mohammad Akram	General Manager (CPP Films Division)	Yes	Appointed on 16.08.2023
14	Mr. Rajeev Khare	General Manager (Electricals)	Yes	Appointed on 01.09.2023
15	Mr. Bharat Kapoor	Company Secretary and Compliance Officer	No	-

## 9. Details of remuneration/sitting fees paid to Directors during the financial year 2023-24:

### i. Pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the company

There were no pecuniary relationships or transactions between Non-Executive Independent Directors and the Company during the financial year 2023-24 except payment of sitting fee to the Independent Directors for attending the Board/Committee Meeting(s)

### ii. 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. Details of sitting fee paid to the Non-Executive Directors of the Company for the financial year ended 31<sup>st</sup> March, 2024 are given below:

Name of Non-Executive Director	Sitting fee paid (Rs.)
Mr. D.K.Kapila	15,000
Mr. S.C. Malik	36,000
Mr. S. Sathyamoorthy	15,000
Mrs. Kamlesh Gupta	13,500
<b>Total</b>	<b>79,500</b>

### iii. Details of remuneration paid to Executive Directors

The terms of remuneration of Executive Directors are approved by the shareholders at their general meetings. Details of remuneration paid to the Executive Directors of the Company for the financial year ended 31<sup>st</sup> March, 2024 are given below:

Name of Director	Salary(Rs.)	Allowances/ Perquisites (Rs.)	Retirement benefits (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Vineet Jain (Managing Director) <sup>1</sup>	61,75,000/-	45,19,435/-	14,25,000/-	-	1,21,19,435/-
Mr. S.P Gupta (Director-Operations) <sup>2</sup>	22,14,871/-	11,06,104/-	2,65,785/-	-	35,86,760/-

#### Service Contracts:

- Shareholders of the Company, at their annual general meeting held on 29<sup>th</sup> September, 2022, approved the re-appointment of Mr. Vineet Jain as Managing Director for a further period of five years w.e.f 1<sup>st</sup> October, 2022.
- Shareholders of the Company, at their Annual General Meeting held on 28<sup>th</sup> September, 2021, approved the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director designated as Director – Operations of the Company for a period of three consecutive years w.e.f 29<sup>th</sup> May, 2021 to 28<sup>th</sup> May, 2024.

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors, at its meeting held on 17<sup>th</sup> May, 2024, has approved the re-appointment of Mr. Satya Prakash Gupta as Whole Time Director designated as Director – Operations of the Company for a period of 3 (three) consecutive years effective from 29<sup>th</sup> May, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting.

<sup>1 & 2</sup> Notice period is three month's prior notice from either party or three month's salary in lieu of notice.

#### Notes:

- The remuneration of executive/non-executive directors is approved by the Board of Directors and shareholders, in line with the NRC Policy of the Company and relevant provisions of the Act.
- There is no separate provision for payment of severance fees.
- There were no variable components and performance linked incentives.
- The Company does not have any Employee Stock Option Scheme.

## 10. 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 Resolutions Passed
2022-23	29.09.2023	10.30 AM	Pasupati Acrylon Limited Kashipur Road, Thakurdwara, Moradabad (UP).	1. Re-appointment of Mrs. Kamlesh Gupta as an Independent Director of the Company for a second term of five years.
2021-22	29.09.2022	10.30 AM	Pasupati Acrylon Limited Kashipur Road, Thakurdwara, Moradabad (UP).	1. Re-appointment of Mr. Vineet Jain as Managing Director for a further period of five years and approval of his remuneration. 2. Revision in the remuneration of Mr. Satya Prakash Gupta, Whole Time Director. 3. Alteration/Amendment in the Object Clauses of Memorandum of Association of the Company. 4. Alteration/Amendment in the Liability Clause of Memorandum of Association of the Company. 5. Adoption of new set of Articles of Association of the Company. 6. Increase in borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013. 7. Creation of charge/mortgage on the properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013.

Financial year	Date	Time	Venue	Special Resolutions Passed
2020-21	28.09.2021	10.00AM	Held through video conferencing / other audio visual means and deemed venue was registered office of the Company at Vill. Thakurdwara, Kashipur Road, Moradabad (UP).	Re-appointment of Mr. Satya Prakash Gupta as Whole Time Director for a further period of three years and approval of his remuneration.

- (b) **Extra-Ordinary General Meeting:** No Extraordinary General Meeting (EGM) was held during the last three financial years *i.e.* 2023-24, 2022-23 and 2021-22.
- (c) **Postal Ballot :** No Postal Ballot was conducted during the year under review. As on the date of this report, there is no immediate proposal for passing any resolution through postal ballot.

## 11. Means of Communication

- (a) Quarterly/ half yearly/ annual financial results are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") immediately after approval of the Board of Directors.
- (b) The financial results are normally published in daily newspapers viz Financial Express/Pioneer in English Language and Jansatta/ Pioneer in Hindi Language. Notice relating to Annual General Meeting for the financial year 2022-23 was published in newspaper viz. Financial Express (English Language) and Jansatta (Hindi Language). 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](http://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 with BSE and NSE.

**12. General Shareholder Information**

- (a) Annual General Meeting will be held on Wednesday, 21<sup>st</sup> August, 2024 at 10:30 AM at Registered Office of the Company at Kashipur Road, Thakurdwara, Dist. Moradabad (Uttar Pradesh) – 244601.
- (b) **Dates of Book Closure:** The Share Transfer Books and Register of Members of the Company shall remain closed from Wednesday, the 14<sup>th</sup> August, 2024 to Wednesday, the 21<sup>st</sup> August, 2024 (both days inclusive).
- (c) **Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March**

Financial Calendar for the period 2024-25 - Tentative schedule for considering financial results:

First Quarter Results (30.06.2024)	By August 14, 2024
Second Quarter Results (30.09.2024)	By November 14, 2024
Third Quarter Results (31.12.2024)	By February 14, 2025
Fourth Quarter Results (31.03.2025)	By May 30, 2025

- (d) **Dividend Payment Date:** No dividend has been declared by the Company for Financial Year 2023-24.
- (e) **Listing of Equity Shares on Stock Exchange:**

The Company’s shares are presently listed on the BSE Limited (“BSE”) and National Stock Exchange (“NSE”) of India Limited.

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	Scrip Code -500456
<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	Scrip Code - PASUPTAC
<b>ISIN Number for NSDL &amp; CDSL</b>	INE818B01023

The listing fees for the year 2023-24 and 2024-25 have been paid to BSE and NSE within the stipulated time. Further, the Company has also paid Annual Custody Fees for the financial year 2023-24 and 2024-25 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

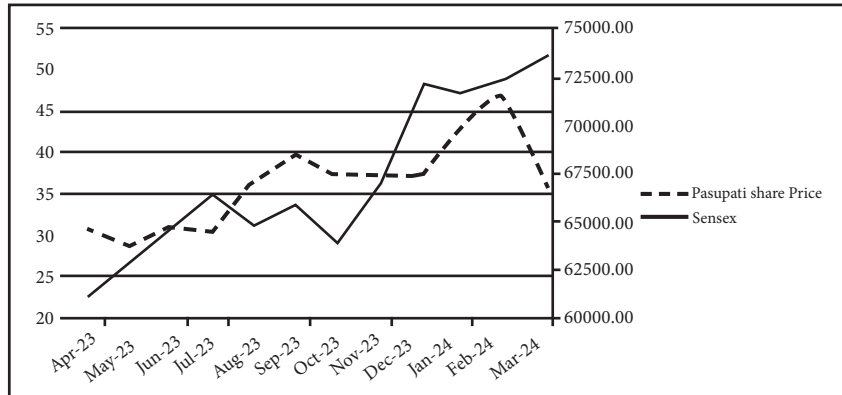
- (f) **Market Price Data : High/Low during each month in last financial year 2023-24 at BSE & NSE are as under:**

Month	BSE		NSE	
	High(Rs.)	Low (Rs.)	High(Rs.)	Low (Rs.)
April, 2023	31.65	24.98	31.85	24.80
May, 2023	33.18	28.50	33.65	28.60
June, 2023	34.99	29.13	35.10	29.05
July ,2023	34.54	29.60	34.50	29.15
August, 2023	39.44	27.95	39.40	27.80
September, 2023	40.90	34.50	40.95	34.40
October, 2023	46.10	34.70	47.00	34.30
November, 2023	41.01	36.40	41.05	36.30
December, 2023	40.80	34.50	39.40	34.30
January, 2024	46.50	36.67	46.60	36.50
February, 2024	51.25	40.68	51.30	40.45
March, 2024	48.84	34.20	49.05	34.30

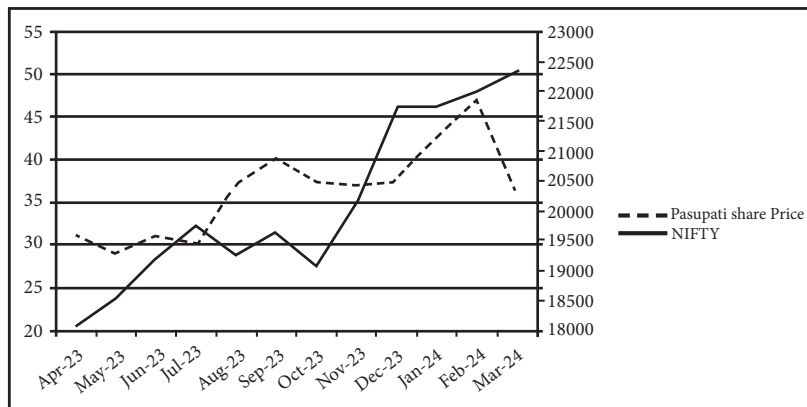
## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2023-2024

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

#### Sensex



#### Nifty



- (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](mailto: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 SEBI Listing Regulations, as amended, transfer of physical shares of listed companies are barred and securities can be transferred only in dematerialized form effective from 1<sup>st</sup> April, 2019 except in case of transmission or transposition of securities. Further, SEBI vide its circular number SEBI/HO/MIRSD/\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 directed listed companies to issue securities in dematerialized form while processing the requests of transmission, transposition, issue of duplicate securities, renewal/exchange of securities, sub-divisions/splitting, consolidation of securities. However, shareholders are not barred from holding shares in physical form.

(k) Distribution of Shareholding as on 31<sup>st</sup> March, 2024 (\*Based on PAN)

No. of Shares	No. of Shareholders	% of total shareholders	No. of Shares	% of total shares
1-500	59,050	87.61	7,90,0887	8.86
501-1000	4,432	6.58	34,81,976	3.91
1001-2000	1,998	2.96	30,26,839	3.40
2001-3000	716	1.06	18,40,688	2.06
3001-4000	293	0.44	10,58,025	1.19
4001-5000	277	0.41	13,12,300	1.47
5001-10000	359	0.53	26,20,635	2.94
10001 and above	278	0.41	6,78,91,771	76.17
<b>Total</b>	<b>67,403</b>	<b>100.00</b>	<b>8,91,33,121</b>	<b>100.00</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2024

Category	Shares	Percentage
Promoter	5,87,15,445	65.87
Resident Individual	2,77,66,152	31.15
Bodies Corporate	8,90,589	1.00
Non Resident Indians	8,92,460	1.00
Mutual Funds	1,79,505	0.20
Financial Institutions/Banks	4,815	0.01
Clearing Members	2,00,872	0.23
Foreign Companies	1,710	0.00
Foreign Portfolio Investors	66,403	0.07
Foreign Banks	4,15,170	0.47
<b>Total</b>	<b>8,91,33,121</b>	<b>100.00</b>

## (l) Dematerialization of Shares

As on 31<sup>st</sup> March, 2024, 92.87% of the Company's total paid up equity shares representing 8,27,81,176 equity shares were held in dematerialized form and the balance 7.13% representing 63,51,945 equity shares were in physical form. Trading in equity shares of the Company is permitted only in dematerialized form. Promoter's holding is held in dematerialized 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 31<sup>st</sup> March, 2024.

## (n) Registered Office and Plant Location:

The Company's Registered Office and Plant Location is 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:

<b>Pasupati Acrylon Ltd.</b> <b>Registered Office</b> Thakurdwara, Kashipur Road Distt. Moradabad (UP) <b>Phone:</b> 0591-2241263,2241352-55 <b>Fax:</b> 0591-2241262 <b>E-mail:</b> <a href="mailto:works@pasupatiacrylon.com">works@pasupatiacrylon.com</a>	<b>Pasupati Acrylon Ltd</b> <b>Corporate Office:</b> M-14, Connaught Circus (Middle Circle) New Delhi-110001 <b>Phone:</b> 011-47627400 <b>Fax:</b> 011-47627497 <b>E-mail:</b> <a href="mailto:palsecretarial@gmail.com">palsecretarial@gmail.com</a>	<b>MCS Share Transfer Agent Limited</b> <b>Registrar &amp; Transfer Agent</b> F-65, Okhla Industrial Area Phase-I, New Delhi-110020 <b>Phone:</b> 011-41406149 -52 <b>Fax:</b> 011-41709881 <b>Email:</b> <a href="mailto:helpdeskreply@mcsregistrars.com">helpdeskreply@mcsregistrars.com</a>
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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.

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

All transactions entered into with the Related Parties during the financial year 2023-24 were in the ordinary course of business and/or on arm's length basis. Details of related party transactions during the financial year 2023-24 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 <https://pasupatiacrylon.com/wp-content/uploads/2022/05/Policy-on-Related-Party-Transactions.pdf>

**(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 SEBI 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.

**(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 under the web link <https://pasupatiacrylon.com/wp-content/uploads/2022/04/VIGIL-MECHANISM-POLICY.pdf>. No personnel of the Company have been denied access to the Audit Committee. The Company has not received any complaint during the financial year 2023-24.

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

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

The Company is not mandatorily required to constitute Risk Management Committee in terms of Regulation 21(5) of SEBI Listing Regulations, but the Board has discretionarily 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. <https://pasupatiacrylon.com/wp-content/uploads/2022/04/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES.pdf>

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

**(ii) Foreign Exchange Risk**

A significant portion of the company's payables is in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to currency risks. However, the Company's receivables are fewer in foreign currencies. 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. The Company's export resulted natural hedging to that extent and additionally the Company hedges the currency as suggested by consultants from time to time.

**(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 SEBI 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 SEBI Listing Regulations, the Company has obtained a certificate from M/s. Mehak Gupta & Associates, Company Secretary in Practice certifying that for the financial year ended on 31<sup>st</sup> March, 2024, 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. Mehak Gupta & Associates to that effect is attached and forming part of this report as **Annexure - A**.

**(i) Recommendations of the committees**

During the financial year 2023-24, 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 Statutory Auditors during the year ended 31<sup>st</sup> March, 2024**

For Statutory Audit-	12,00,000/-
For quarterly review Reports	7,50,000/-
For Tax Audit	2,00,000/-
Other certification	10,000/-
<b>Total</b>	<b>21,60,000/-</b>

**(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 31<sup>st</sup> March, 2024.

**(l) Disclosure of Loans and advances to firms/companies in which directors are interested**

During the year under review, the Company has not advanced any amount in the nature of loans to any firm/company in which directors of the Company are interested and there is no such loan as on 31<sup>st</sup> March, 2024.

14. All the mandatory requirements of SEBI 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 SEBI Listing Regulations.

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

**The Board:** The Company does not have a Regular Chairman. The Company has an Executive Managing Director, who is appointed as Chairman of the Board Meeting as authorized by the Articles of Association of the Company.

**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 and NSE. The said results are also uploaded on the website of the Company [www.pasupatiacrylon.com](http://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 31<sup>st</sup> March, 2024. 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 sends their reports to the Chief Financial Officer 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.

**16. Disclosure with compliance with the requirements of Corporate Governance**

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

**17. 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 SEBI 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 31<sup>st</sup> March, 2024. The Code is available on the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com).

**18. CEO / CFO Certification**

Certificate issued by Managing Director and Chief Financial Officer to the Board of Directors in terms of Regulation 17(8) of SEBI Listing Regulation read with Part B of Schedule II of SEBI Listing Regulations is annexed as **Annexure-B** to this report.

**19. Auditors Certificate on Corporate Governance**

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

**20. Disclosure with respect to demat suspense account/unclaimed suspense account.**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31<sup>st</sup> March, 2024. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**21. Disclosure of certain types of agreements binding listed entities**

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

**For and on behalf of the Board**

**Place: New Delhi**  
**Date: 17<sup>th</sup> May, 2024**

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

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**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 31<sup>st</sup> March, 2024, in terms of 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: 17<sup>th</sup> May, 2024**

**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, **Mehak Gupta & Associates, 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 And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on March 31, 2024 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 of 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.

Place: New Delhi  
Date: 25<sup>th</sup> April, 2024

**Mehak Gupta & Associates**  
**Company Secretaries**

(Mehak Gupta)  
Proprietor  
FCS NO.: 10703  
C.P. No. 15013  
PR: 1643/2022

UDIN: F010703F000239602

**MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION**  
{Pursuant to Regulation 17(8) AND 33(2)(a) of SEBI (LODR) Regulations, 2015}

To,

**The Board of Directors**  
**Pasupati Acrylon Limited**

**Sub: CEO/CFO Certificate**

We, to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (2) these statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee;
- (1) significant changes in internal control over financial reporting during the year, if any;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - (3) instances of significant fraud of which we have become aware, if any, and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi  
Date: 17<sup>th</sup> May, 2024

**Vineet Jain**  
**Managing Director**

**Satish Kumar Bansal**  
**Chief Financial Officer**

**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 31<sup>st</sup> March, 2024, 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, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31<sup>st</sup> March, 2024 as stipulated in the above mentioned Listing Regulations, as applicable.

**For B. K. Shroff & Co**  
**Chartered Accountants**  
Reg. No.: 302166E

**KAVITA NANGIA**  
**Partner**  
Membership No.: 090378

**Dated: 17<sup>th</sup> May, 2024**  
**Place: New Delhi**

**UDIN: 24090378BKGYEX7963**

## INDEPENDENT AUDITOR'S 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 31<sup>st</sup> March 2024, and the statement of Profit and Loss, (including other comprehensive Income) 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 financial statements give the information required by the Companies Act 2013 (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, 2024, and profit/loss, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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. 38 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 significant judgement to determine the possible outcome of these disputes (Refer Note No. 23(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. Based on above work performed the assessment in respect of litigation and related disclosures relating to contingent liabilities in the financial statements is considered to be reasonable.
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 Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is 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 financial statements and our auditor's report thereon.

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

## INDEPENDENT AUDITOR'S 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 of the 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 financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 scepticism 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 financial 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 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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 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, 2020 ("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, including other comprehensive income, 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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:
  - a) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Refer note no. 23 (a) & 23 (c) to the financial statements.
  - b) 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 - Refer note no. 38 to the financial statements.

The company did not have any long term derivative contracts
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d)
    - (i) The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The management has represented, that, to the best of their knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,



## INDEPENDENT AUDITOR'S REPORT (Contd.)

whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e) In our opinion and based on the information and explanation provided to us, no dividend has been declared or paid during the year by the company.
- f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirement for record retention is not applicable for the financial year ended March 31, 2024.

**For B. K. Shroff & Co**  
**Chartered Accountants**  
Firm Registration No.: 302166E

**Place: New Delhi**  
**Date: 17<sup>th</sup> May, 2024**  
**Udin: 24090378BKGYEV1247**

**(KAVITA NANGIA)**  
Partner  
Membership No.: 090378

### **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 Financial Statements for the year ended 31<sup>st</sup> March 2024**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and & equipment.
- (b) The properly, plant & equipment have been physically verified by the management during the year as per the phased program designed to cover all the properly, plant & equipment 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.
- (d) During the year, the company has not revalued its property, plant and equipment (including right to use assets) or intangible assets or both and hence provisions of clause (i) (d) are not applicable to the company.
- (e) According to the information and explanation given to us and the records maintaining by the company no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) Physical verification of inventory (except material in transit or lying with third party) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. Discrepancies of 10% or more in the aggregate for each class of inventory with respect to book records were not noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (b) In our opinion and according to the information and explanation given to us and records maintained by the company, the quarterly returns or statements filed by the company with banks or financial institutions are generally in agreement with the books of account of the company.
- (iii) The company has not granted any loans or advances in the nature of loans either repayable on demand or specifying any terms or period of repayment and hence provisions of clause (iii) (a) to (f) 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.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- (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 thereunder 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 2024 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 31<sup>st</sup> March 2024 except:

Sl. No	Name of the statute	Nature of the dues	Amount (Rs in lac)	Period to which the 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	CESTAT(MUMBAI) Delhi High Court
3.	Service Tax Act	Service Tax on Ocean Freight	76.59	2017-2018	Allahabad High Court
4.	Service Tax Act	Cenvat Credit	122.27	Feb. 2005 Feb. 2008	Allahabad High Court
5.	Service Tax Act	Mis-match in ITC claimed	24.42	2017-18	Commissioner Appeal Moradabad
6.	Custom Duty Act	Custom Duty	3.90	2019-20	Commissioner Custom (Appeal), Ahmedabad

- (viii) According to the information and explanations provided to us, there were no transactions which were not recorded in the books of account and have been surrendered or disclosed as income, during the year, in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) 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
- (b) According to the records of the company and information or explanation given to us, the company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the records of the company and information and explanation given to us, term loans of Rs. 108 crores was sanctioned on 24.03.2023 against which Rs. 44.08 crores availed during the year. The term loans have been applied on an overall basis for the purpose for which they were obtained by the company.
- (d) According to the records of the company and information and explanation given to us, funds raised on short-term basis have, prima facie, not been used for long term purposes by the company.
- (e) According to the records of the company and information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) According to the records of the company and information and explanation given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) 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) & hence reporting under clause 3 (x) (a) of the order is not applicable.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) According to the records of the company and information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures & hence reporting under clause 3 (x) (b) of the order is not applicable.
- (xi) (a) 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 has been noticed or reported during the year except cyber fraud of Rs 3.33 lakhs, against which company has filed complaint with SHO Connaught place, refer to note no 12 to the financial statements.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- (c) According to the records of the company and information and explanation given to us, no whistle blower complaints have been received by the company during the year.
- (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 financial statements etc as required by the accounting standards in notes to the Financial Statements
- (xiv) (a) According to the information and explanations given to us, in our opinion the company has an internal audit system commensurate with the size and nature of its business..
- (b) We have considered the reports of internal auditors for the period under audit, in determining the nature, timing and extent of our audit procedures.
- (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 its directors & hence provision of sec 192 of the Companies Act, 2013 are not applicable to the company.
- (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, Hence reporting under clause 3(xvi) (a) to (c) of the order are not applicable to the company
- (xvi) (a) According to the records of the company and information and explanations given to us, the group has no CIC & accordingly reporting under clause 3 (xvi) d of the order is not applicable
- (xvii) The company has not incurred cash losses in the financial year under audit or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year and hence provisions of clause (xviii) of the order are not applicable to the company.
- (xix) On the basis of the financial ratio, (refer note no 35 to financial statement) ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within in a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the records of the company and information and explanations given to us, in our opinion, there are no amount remaining unspent towards Corporate Social Responsibility (CSR) as specified under sub section (5) of section 135 of the Companies Act, (refer note no. 33 and 36 to the financial statements).
- (xxi) There are no subsidiaries, accordingly provisions of clause (xxi) of the Companies (Auditors' Report) order (CARO) are not applicable to the company.

**For B. K. Shroff & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 302166E**

**Place: New Delhi**  
**Date: 17<sup>th</sup> May, 2024**  
**UDIN: 24090378BKGYEV1247**

**(KAVITA NANGIA)**  
**Partner**  
**Membership No.: 090378**

## INDEPENDENT AUDITOR'S REPORT

**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 Financial Statements for the year ended 31<sup>st</sup> March 2024**

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

We have audited the internal financial controls over financial reporting of PASUPATI ACRYLON LIMITED ("the Company") as of March 31<sup>st</sup>, 2024, in conjunction with our audit of the 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 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, with reference to financial statement. 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 with reference to the financial statement 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 with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements.**

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 with reference to the financial statement 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
- 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 with reference to the financial statement were operating effectively as at 31<sup>st</sup> March 2024, based on criteria for internal financial control with reference to financial statements established by company considering the essential components of internal control as stated in the Guidance Note issued by the ICAI".

Place: New Delhi  
Date: 17<sup>th</sup> May, 2024  
UDIN: 24090378BKGYEV1247

For B. K. Shroff & Co.  
Chartered Accountants  
Firm Reg. No.: 302166E  
(KAVITA NANGIA)  
Partner  
Membership No.: 090378

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2024



Particulars	Note No	Rs in Lakh	
		As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>I NON CURRENT ASSETS</b>			
1 Property, Plant and Equipments	4	7,520.02	7,712.13
2. Capital Work in Progress	5	7,741.42	55.29
3. Other Non Current Assets	6	2,012.60	525.34
<b>II CURRENT ASSETS</b>			
1. Inventories	7	11,594.22	19,435.80
2. Financial Assets			
- Current Investment	8	8,517.19	7,469.55
- Trade receivables	9	5,592.77	5,088.73
- Cash and cash equivalents	10	3,486.55	2,173.99
- Bank Balances other than Cash & Cash Equivalents	11	1,654.45	1,528.20
3. Other Current Assets	12	1,783.90	1,854.32
		<b>49,903.12</b>	<b>45,843.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I EQUITY</b>			
1 Equity Share Capital	13	8,914.10	8,914.10
2 Other Equity		23,962.82	22,654.57
<b>II NON-CURRENT LIABILITIES</b>			
1 Financial liabilities	14		
-Borrowings		4,355.56	-
2 Provisions	15	253.55	263.88
3 Deferred Tax Liabilities (net)	16	765.59	700.41
4 Other Non Current Liabilities	17	141.62	10.72
<b>III CURRENT LIABILITIES</b>			
1 Financial liabilities			
-Borrowings	18	67.42	12.96
-Trade Payables	19		
a) Total outstanding dues of micro and small enterprises		16.78	75.93
b) Total outstanding dues of other than micro and small enterprises		10,131.77	12,099.49
2 Provisions	20	365.96	458.96
3 Other current liabilities	21	759.34	550.76
4 Current Tax Liabilities (Net)	22	168.61	101.57
		<b>49,903.12</b>	<b>45,843.35</b>

Significant Accounting Policies 1-3  
See Accompanying Notes to the Financial Statements 1 - 42

As per our report of even date annexed  
For B.K. Shroff & CO.,  
Chartered Accountants  
Reg. No. 302166E

Vineet Jain  
Managing Director  
DIN : 00107149

Deveshwer Kumar Kapila  
Director  
DIN : 00179060

Kavita Nangia  
Partner  
Membership No. 090378

S.C. Malik  
Director  
DIN : 00107170

Satish Kumar Bansal  
Chief Financial Officer

Place: New Delhi  
Date : 17<sup>th</sup> May, 2024

Bharat Kapoor  
Company Secretary

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

Particulars	Note No.	Rs in Lakh	
		For the Period 01.04.2023 to 31.03.2024	For the Period 01.04.2022 to 31.03.2023
<b>I REVENUE</b>			
Revenue from Operations	25	57,522.82	82,796.25
Other Income	26	1,076.95	841.86
<b>TOTAL REVENUE</b>		<b>58,599.77</b>	<b>83,638.11</b>
<b>II EXPENSES</b>			
Cost of Material Consumed	27	43,464.97	63,102.06
Purchase Of Stock In Trade	28	7.48	-
Changes in Inventory of Finished Goods and Work in Progress	29	1,271.78	(1,259.14)
Employee Benefits Expense	30	2,488.86	2,491.85
Finance Costs	31	257.73	360.93
Depreciation & Amortization Expenses	32	586.99	614.50
Other Expenses	33	8,681.75	13,483.30
<b>TOTAL EXPENSES</b>		<b>56,759.56</b>	<b>78,793.50</b>
<b>III PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>1,840.21</b>	<b>4,844.61</b>
Exceptional Items	-	-	-
<b>IV PROFIT/(LOSS) BEFORE TAX</b>		<b>1,840.21</b>	<b>4,844.61</b>
<b>V TAX EXPENSE</b>			
Current Tax		440.11	1,180.29
Earlier Year Taxes (Net)		12.32	8.77
Deferred Tax		68.79	64.50
<b>VI PROFIT AFTER TAX</b>		<b>1,318.99</b>	<b>3,591.05</b>
<b>VII OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit & loss		(14.35)	34.21
Income tax relating to above		3.61	(8.61)
Other Comprehensive Income for the year (Net of Tax)		(10.74)	25.60
<b>VIII TOTAL COMPREHENSIVE INCOME</b>		<b>1,308.25</b>	<b>3,616.65</b>
<b>IX EARNING PER SHARE</b>	34		
Basic		1.48	4.03
Dilutive		1.48	4.03
<b>Weighted Average Equity shares</b>			
Basic		8,91,33,121	89,133,121
Dilutive		8,91,33,121	89,133,121

Significant Accounting Policies 1-3  
See Accompanying Notes to the Financial Statements 1 - 42

As per our report of even date annexed  
For B.K. Shroff & CO.,  
Chartered Accountants  
Reg. No. 302166E

Vineet Jain  
Managing Director  
DIN : 00107149

Deveshwer Kumar Kapila  
Director  
DIN : 00179060

Kavita Nangia  
Partner  
Membership No. 090378

S.C. Malik  
Director  
DIN : 00107170

Satish Kumar Bansal  
Chief Financial Officer

Place: New Delhi  
Date : 17<sup>th</sup> May, 2024

Bharat Kapoor  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

Rs. In Lakhs

Particulars	For the Period 31.03.2024	For the Period 31.03.2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	1,840.21	4,844.61
<b>Adjustments for:-</b>		
Depreciation and amortisation	586.99	614.50
Finance Cost	257.73	360.93
Interest Income	(153.56)	(270.46)
Profit/Loss on sale of fixed assets	(0.17)	(0.03)
Unrealised Gain / Amortization / Other	(247.44)	99.24
<b>Operating profit/(Loss) before working capital changes</b>	<b>2,283.77</b>	<b>5,450.31</b>
<b>Change in Working Capital</b>		
<b>Adjustment for (increase)/decrease in operating assets</b>		
Other Non Current Assets	(118.15)	(17.23)
Inventories	7,841.58	(5,079.91)
Trade and other receivables	(504.04)	2,693.71
Bank Balances other than Cash & Cash Equivalents	(126.25)	1,745.66
Other Current Assets	70.42	(487.14)
<b>Adjustment for increase/(decrease) in operating Liabilities</b>		
Non Current Provisions	(10.33)	(11.19)
Other Non Current Liabilities	130.90	(28.13)
Trade payable	(2,026.87)	726.31
Other Current Liabilities	208.58	(1,006.67)
Current Provisions	(93.00)	(68.50)
Net income tax(paid)/refunds received	(385.39)	(1,181.76)
<b>Net Cash flow from/(used in) operating activities(A)</b>	<b>7,271.22</b>	<b>2,735.46</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Advance	(1,369.11)	(107.00)
Expenditure on Property Plant & Equipment	(8,081.01)	(304.63)
Proceeds from Sale of Capital assets	0.17	0.03
Interest Income	153.56	270.46
(Purchase)/Sale of current investments	(866.78)	(7,336.11)
<b>Net Cash flow from/(used in) Investing Activities( B)</b>	<b>(10,163.17)</b>	<b>(7,477.25)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost	(257.73)	(360.93)
Increase (Decrease) in long term borrowings	4,407.79	-
Increase (Decrease) in short term borrowings	54.46	7.09
<b>Net Cash Flow from/(used in) Financing Activities ( C)</b>	<b>4,204.52</b>	<b>(353.84)</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,312.56</b>	<b>(5,095.62)</b>
Cash and cash equivalents at the beginning of the year	2,173.99	7,269.61
Cash and cash equivalents at the end of the year	3,486.55	2,173.99

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 B.K. Shroff & CO.,  
Chartered Accountants  
Reg. No. 302166E

Vineet Jain  
Managing Director  
DIN : 00107149

Deveshwer Kumar Kapila  
Director  
DIN : 00179060

Kavita Nangia  
Partner  
Membership No. 090378

S.C. Malik  
Director  
DIN : 00107170

Satish Kumar Bansal  
Chief Financial Officer

Place: New Delhi  
Date : 17<sup>th</sup> May, 2024

Bharat Kapoor  
Company Secretary

## Statement of Changes in Equity

### A. EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount (Rs. in Lakhs)
Balance as on 01.04.2022	8,91,33,121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
<b>Balance as on 31.03.2023</b>	<b>8,91,33,121</b>	<b>8,914.10</b>
Balance as on 01.04.2023	8,91,33,121	8,914.10
Addition during the period	-	-
Reduction during the period	-	-
<b>Balance as on 31.03.2024</b>	<b>8,91,33,121</b>	<b>8,914.10</b>

### B. OTHER EQUITY

(Rs. in Lakhs)

Particulars	Retained Earnings	Capital Reserve*	Items of other comprehensive income	Total Other Equity
			Other items of OCI	
Balance as on 01.04.2022	17,558.96	1,452.78	26.18	19,037.92
Addition during the period	-	-	-	-
Profit(Loss) for the period	3,591.05	-	-	3,591.05
Other comprehensive income	-	-	25.60	25.60
<b>Balance as on 31.03.2023</b>	<b>21,150.01</b>	<b>1,452.78</b>	<b>51.78</b>	<b>22,654.57</b>
Balance as on 01.04.2023	21,150.01	1,452.78	51.78	22,654.57
Addition during the period	-	-	-	-
Profit(Loss) for the period	1,318.99	-	-	1,318.99
<b>Other comprehensive income</b>	-	-	(10.74)	(10.74)
<b>Balance as on 31.03.2024</b>	<b>22,469.00</b>	<b>1,452.78</b>	<b>41.04</b>	<b>23,962.82</b>

\* Created on extinguishment of loan liability in earlier years

As per our report of even date annexed  
For B.K. Shroff & CO.,  
Chartered Accountants  
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Vineet Jain  
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S.C. Malik  
Director  
DIN : 00107170

Satish Kumar Bansal  
Chief Financial Officer

Place: New Delhi  
Date : 17<sup>th</sup> May, 2024

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) and National Stock Exchange (NSE). 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.). During the year Company is in the process of setting-up 150 KL per day grain based Ethanol plant at adjoining site to the existing plant as third segment.

### 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) and relevant amendments thereafter.

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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.
- (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.

## 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.

#### (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.

Current and deferred tax are recognised in profit or loss, except when they are related 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 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.

Trade receivables that do not contain a significant financial component are measured at transaction price.

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. in Lakhs

Particulars	Leasehold Land	Freehold Land	Building (a)	Plant & Machinery (b)	Electrical Installation	Office Equipment	Furniture & Fixture	Vehicles	Live Stock	Total
<b>Gross Carrying Value as on 01.04.2022</b>	16.00	7.62	2,712.25	31,049.76	5,022.01	561.26	251.76	486.31	0.80	<b>40,107.77</b>
Addition	-	-	64.05	-	141.36	14.08	0.14	29.71	-	<b>249.34</b>
Deletions	-	-	-	-	-	-	-	0.42	-	<b>0.42</b>
<b>Gross Carrying Value as on 31.03.2023</b>	<b>16.00</b>	<b>7.62</b>	<b>2,776.30</b>	<b>31,049.76</b>	<b>5,163.37</b>	<b>575.34</b>	<b>251.90</b>	<b>515.60</b>	<b>0.80</b>	<b>40,356.69</b>
<b>Accumulated Depreciation as on 01.04.2022</b>	16.00	-	1,825.15	24,794.30	4,341.62	426.90	251.49	375.02	-	<b>32,030.48</b>
Depreciation for the period	0.00	-	88.54	363.24	104.33	18.77	0.07	39.55	-	<b>614.50</b>
Deductions/Adjustments	-	-	-	-	-	-	-	0.42	-	<b>0.42</b>
<b>Accumulated Depreciation as on 31.03.2023</b>	<b>16.00</b>	<b>0.00</b>	<b>1,913.69</b>	<b>25,157.54</b>	<b>4,445.95</b>	<b>445.67</b>	<b>251.56</b>	<b>414.15</b>	<b>0.00</b>	<b>32,644.56</b>
<b>Carrying Value as on 31.03.2023</b>	-	<b>7.62</b>	<b>862.61</b>	<b>5,892.22</b>	<b>717.42</b>	<b>129.67</b>	<b>0.34</b>	<b>101.45</b>	<b>0.80</b>	<b>7,712.13</b>
<b>Gross Carrying Value as on 01.04.2023</b>	<b>16.00</b>	<b>7.62</b>	<b>2,776.30</b>	<b>31,049.76</b>	<b>5,163.37</b>	<b>575.34</b>	<b>251.90</b>	<b>515.60</b>	<b>0.80</b>	<b>40,356.69</b>
Addition	-	-	-	-	382.75	11.88	0.25	-	-	<b>394.88</b>
Deletions	-	-	-	-	-	-	-	9.12	-	<b>9.12</b>
<b>Gross Carrying Value as on 31.03.2024</b>	<b>16.00</b>	<b>7.62</b>	<b>2,776.30</b>	<b>31,049.76</b>	<b>5,546.12</b>	<b>587.22</b>	<b>252.15</b>	<b>506.48</b>	<b>0.80</b>	<b>40,742.45</b>
<b>Accumulated Depreciation as on 01.04.2023</b>	16.00	-	1,913.69	25,157.54	4,445.95	445.67	251.56	414.15	-	<b>32,644.56</b>
Depreciation for the period	-	-	61.24	345.32	130.37	20.58	0.05	29.43	-	<b>586.99</b>
Deductions/Adjustments	-	-	-	-	-	-	-	9.12	-	<b>9.12</b>
<b>Accumulated Depreciation as on 31.03.2024</b>	<b>16.00</b>	<b>0.00</b>	<b>1,974.93</b>	<b>25,502.86</b>	<b>4,576.32</b>	<b>466.25</b>	<b>251.61</b>	<b>434.46</b>	-	<b>33,222.43</b>
<b>Carrying Value as on 31.03.2024</b>	<b>0.00</b>	<b>7.62</b>	<b>801.37</b>	<b>5,546.90</b>	<b>969.80</b>	<b>120.97</b>	<b>0.54</b>	<b>72.02</b>	<b>0.80</b>	<b>7,520.02</b>

- a) Includes Rs.62.96 Lakh 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 1<sup>st</sup> 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 1<sup>st</sup> 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. 190.78 Lakh (Previous year Rs. 186.41 Lakh) instead of Rs. 193.33 Lakh (Previous Year Rs. 192.05 lakh), resulting in excess charge of depreciation during the year by Rs. 2.55 Lakh. (Previous Year Rs. 5.64 Lakh).

#### 5. CAPITAL WORK-IN-PROGRESS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Capital Work in Progress *	7,741.42	55.29
<b>Total</b>	<b>7,741.42</b>	<b>55.29</b>

\* Company is in the process of setting-up 150 KL per day grain based Ethanol plant at adjoining site to the existing plant as third segment, the commissioning work of which is in progress.

**CWIP Ageing Schedule as at 31<sup>st</sup> March 2024**

Particulars	Amount (Rs. Lakh)				
	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
Ethanol Project	7,686.13	55.29	-	-	7,741.42
<b>Total</b>	<b>7,686.13</b>	<b>55.29</b>	<b>-</b>	<b>-</b>	<b>7,741.42</b>

**CWIP Ageing Schedule as at 31<sup>st</sup> March 2023**

Particulars	Amount (Rs. Lakh)				
	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
Ethanol Project	55.29	-	-	-	55.29
<b>Total</b>	<b>55.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.29</b>

**6. OTHER NON CURRENT ASSETS**

(Unsecured-considered good)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Fixed deposits with banks*		
- Held with maturity period of more than 1 year from the balance sheet date	328.01	209.86
Security Deposits	48.53	48.53
Advance for Capital Goods	1,636.06	266.95
<b>Total</b>	<b>2,012.60</b>	<b>525.34</b>

\* includes amount held for LC/BG margin money Rs. 302.19 Lakhs (Previous year Rs. 98.00 Lakhs)

- There are no outstanding dues of related parties.

**7. INVENTORIES**

(As taken, valued and certified by the management)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Raw Materials*	6,099.96	12,542.93
Work in progress	596.49	919.58
Finished Goods		
- Own Manufactured	3,422.34	4,372.96
- Trading	4.03	2.10
Stores & Spares**	398.88	471.53
Fuel	1,072.52	1,126.70
<b>Total</b>	<b>11,594.22</b>	<b>19,435.80</b>

\* includes goods in transit Rs 3,198.90 Lakh (Previous Year Rs. 8328.60 Lakh).

\*\* includes goods in transit Rs.8.04 Lakh (Previous Year Rs. 10.06 Lakh).

## 8. CURRENT INVESTMENTS

(Financial assets at fair value through Profit and Loss)

Amount (Rs. Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Investments in Mutual Fund (Quoted)		
NIL units of Rs. NIL each at 31.03.2024 (14999250.037 units of Rs. 10.0187 each at 31.03.2023) of Kotak FMP Series 309 Regular Growth Mutual Fund	-	1,502.73
21091.789 units of Rs. 4839.9015 each at 31.03.2024 (NIL units of Rs. NIL each at 31.03.2023) of K470-Kotak Liquid Fund Regular Plan Growth	<b>1,020.82</b>	-
NIL units of Rs. NIL each at 31.03.2024 (15162467 units of Rs. 10.0201 each at 31.03.2023) of Axis Fixed Term Plan - Series 114 Regular Growth	-	1,519.29
18943.675 units of Rs. 5843.6498 each at 31.03.2024 (33980.262 units of Rs. 5453.2156 each at 31.03.2023) of Nippon India Liquid Fund - Growth Plan	<b>1,107.00</b>	1,853.02
89359.614 units of Rs. 4300.8020 each at 31.03.2024 (64922.110 units of Rs. 3996.3424 each at 31.03.2023) of Tata Money Market Fund Regular Plan-Growth	<b>3,843.18</b>	2,594.51
67976.674 units of Rs. 3745.6791 each at 31.03.2024 (NIL units of Rs. NIL each at 31.03.2023) of L72SG- SBI Liquid Fund Regular Growth	<b>2,546.19</b>	-
<b>Total</b>	<b>8,517.19</b>	<b>7,469.55</b>

## 9. TRADE RECEIVABLES

(Unsecured considered Good)

Amount (Rs. Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Considered good- Secured		
Considered good- Unsecured	<b>5,392.52</b>	5,129.80
Having significant increase in Credit Risk	<b>285.66</b>	0.15
Credit Impaired	-	-
Less: Allowance for Credit Loss	<b>(85.41)</b>	(41.22)
<b>Total</b>	<b>5,592.77</b>	<b>5,088.73</b>

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

The Company follows 'simplified approach' for recognition of expected credit loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes expected credit loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

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 aging of accounts receivables.



**TRADE RECEIVABLES AGEING SCHEDULE**
**Amount (Rs. Lakh)**

Particulars	As at 31.03.2024						Total
	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	
(i) Undisputed Trade Receivables - Considered Good	3,833.90	1420.93	108.40	29.29	-	-	5,392.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	285.66	-	-	285.66
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
	<b>3,833.90</b>	<b>1,420.93</b>	<b>108.40</b>	<b>314.95</b>	<b>0.00</b>	<b>0.00</b>	<b>5,678.18</b>
Less: Allowance for doubtful trade receivables							85.41
							<b>5,592.77</b>

**TRADE RECEIVABLES AGEING SCHEDULE**

Particulars	Amount (Rs. Lakh)						Total
	As at 31.03.2023						
	Not Due	Outstanding for following periods from due date of payment					
Less than 6 months		6 months - 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year		
(i) Undisputed Trade Receivables - Considered Good	3,588.69	1,351.24	189.85	0.02	-	-	5,129.80
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	0.15	-	0.15
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
	<b>3,588.69</b>	<b>1,351.24</b>	<b>189.85</b>	<b>0.02</b>	<b>0.15</b>	<b>0.00</b>	<b>5,129.95</b>
Less: Allowance for doubtful trade receivables							41.22
							<b>5,088.73</b>

## 10. CASH & CASH EQUIVALENTS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Balances with Banks :-		
- Current Account	392.70	37.83
- Cash Credit account	113.18	450.38
Fixed deposits with banks*		
-With maturity period of 3 months from the date of inception	2,979.00	1,683.76
Cash in hand	1.67	2.02
<b>Total</b>	<b>3,486.55</b>	<b>2,173.99</b>

\*includes amount held for LC/BG margin money Rs.28.00 Lakhs (Previous year Rs.121.76 Lakhs)

## 11. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Fixed deposits with banks*		
-Held with original maturity of more than 3 months having remaining maturity of less than 12 months from Balance Sheet date	1,608.44	1,503.83
Interest receivable	46.01	24.37
<b>Total</b>	<b>1,654.45</b>	<b>1,528.20</b>

\* includes amount held for LC/BG margin money Rs. 1,503.56 Lakhs (Previous year Rs.1,486.58 Lakhs) and margin money against over draft facility at Branch Rs. 12.00 Lakhs (Previous year Rs. 12.00 Lakhs)

## 12. OTHER CURRENT ASSETS

(Unsecured Considered Good)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Balance with Govt.Authorities	856.92	404.04
Advance recoverable in cash or in kind*	895.27	1,140.27
Loans to Staff -(Considered Good)	27.06	29.73
Others	4.65	280.28
<b>Total</b>	<b>1,783.90</b>	<b>1,854.32</b>

\* An amount of Rs. 3.33 Lakh has been wrongly paid due to cyber crime for which the company has filed a police complaint. The Company is hopeful of recovery and accordingly no provision has been made against the same.

### 13. EQUITY SHARE CAPITAL

#### a. Authorised

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
<b>Equity Shares of Rs. 10 each</b>				
At the beginning of the period	10,00,00,000	10,00,00,000	10,000	10,000
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	10,00,00,000	10,00,00,000	10,000	10,000

#### b. Issued

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the period	8,91,58,825	8,91,58,825	8,915.88	8,915.88
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	8,91,58,825	8,91,58,825	8,915.88	8,915.88

#### c. Subscribed and Paid up

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the period @	8,91,33,121	8,91,33,121	8,914.10	8,914.10
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	8,91,33,121	8,91,33,121	8,914.10	8,914.10

@ Does not include 15800 shares (Previous years 15,800 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:

Name of the Shareholder	No. of Shares		Percentage	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Mr. Vineet Jain	1,68,51,654	1,68,51,654	18.91	18.91
Gurukripa Finvest Private Ltd.	90,00,000	90,00,000	10.10	10.10
Sulabh Plantation & Finance Pvt. Ltd.	82,50,000	82,50,000	9.26	9.26
Arihant Exports Pvt. Ltd.	46,27,867	46,27,867	5.19	5.19
Shubh Exim Ltd.	45,00,000	45,00,000	5.05	5.05
PICUP	44,81,752	44,81,752	5.03	5.03

**Details of shareholding of Promoters as at 31<sup>st</sup> March 2024 is as follows:**

Name of Promoter	No. of Shares		Percentage		Change during the Year
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	
Mr. Vineet Jain	1,68,51,654	1,68,51,654	18.91	18.91	0.00%
Gurukripa Finvest Private Ltd.	90,00,000	90,00,000	10.10	10.10	0.00%
Sulabh Plantation & Finance Pvt. Ltd	82,50,000	82,50,000	9.26	9.26	0.00%
Arihant Exports Pvt. Ltd.	46,27,867	46,27,867	5.19	5.19	0.00%
Sind Wave Finance Services Private Limited	40,00,000	40,00,000	4.49	4.49	0.00%
Prabhat Capital Services Limited	35,00,000	35,00,000	3.93	3.93	0.00%
Shubh Exim Ltd.	45,00,000	45,00,000	5.05	5.05	0.00%
Accurex Traders Private Limited	17,50,000	17,50,000	1.96	1.96	0.00%
Inder Overseas Private Limited	10,00,000	10,00,000	1.12	1.12	0.00%
Vinod Kumar Jain (HUF)	6,03,342	6,03,342	0.68	0.68	0.00%
Nityanand Exports and Consultants Co. Pvt Ltd.	6,380	6,380	0.01	0.01	0.00%
MVA Finance Private Limited	1,44,450	1,44,450	0.16	0.16	0.00%
PICUP	44,81,752	44,81,752	5.03	5.03	0.00%

**Details of shareholding of Promoters as at 31<sup>st</sup> March 2023 is as follows:**

Name of Promoter	No. of Shares		Percentage		Change during the Year
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	
Mr. Vineet Jain	1,68,51,654	1,68,51,654	18.91	18.91	0.00%
Gurukripa Finvest Private Ltd.	90,00,000	90,00,000	10.10	10.10	0.00%
Sulabh Plantation & Finance Pvt. Ltd	82,50,000	82,50,000	9.26	9.26	0.00%
Arihant Exports Pvt. Ltd.	46,27,867	46,27,867	5.19	5.19	0.00%
Sind Wave Finance Services Private Limited	40,00,000	40,00,000	4.49	4.49	0.00%
Prabhat Capital Services Limited	35,00,000	35,00,000	3.93	3.93	0.00%
Shubh Exim Ltd.	45,00,000	45,00,000	5.05	5.05	0.00%
Accurex Traders Private Limited	17,50,000	17,50,000	1.96	1.96	0.00%
Inder Overseas Private Limited	10,00,000	10,00,000	1.12	1.12	0.00%
Vinod Kumar Jain (HUF)	6,03,342	6,03,342	0.68	0.68	0.00%
Nityanand Exports and Consultants Co. Pvt Ltd.	6,380	6,380	0.01	0.01	0.00%
MVA Finance Private Limited	1,44,450	1,44,450	0.16	0.16	0.00%
PICUP	44,81,752	44,81,752	5.03	5.03	0.00%

**14. NON CURRENT BORROWINGS**

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
From Bank Secured		
Term Loan	4,407.79	-
Less: Unamortised Up-front fee	52.23	-
<b>Total</b>	<b>4,355.56</b>	<b>-</b>

- i) Indian Bank has sanctioned Term Loan of Rs. 10,800.00 Lakhs for setting-up a 150 KL per day Grain based Ethanol Plant, out of which an amount of Rs. 4,407.79 is availed upto 31.03.2024.
- ii) Loan is repayable in 28 ballooning quarterly instalments (after a moratorium of 12 months), beginning from October 2025 *i.e.* (COD)
- iii) Security :
- Primerly Secured by exclusive charge on entire project asset of the Ethanol Plant including Building.
  - Collaterly Secured by Mortgage of the leased area measuring 20.00 acres valuing Rs. 561.00 lakhs situated at village Mohammadganj, Kashipur Road Moradabad, owned by three group companies *i.e.* Pasupati Advanced Films Pvt. Ltd., Sulabh Plantations and Finance Pvt. Ltd. and Vigar Enterprises Pvt. Ltd.
  - Additional Collateral Security of Rs. 650 Lakhs in the form of FDR (given in April 2024).
  - Corporate Guarantee of the followings to the extent of value of property, aggregating to Rs. 561.00 Lakhs, offered for Mortgage.
    - Pasupati Advanced Films Pvt. Ltd.
    - Sulabh Plantation & Finance Pvt. Ltd.
    - Vigar Enterprises Pvt. Ltd.
  - Personal Guarantee of Mr Vineet Jain - Managing Director.

#### 15. NON CURRENT PROVISIONS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Provisions for Employee Benefits	253.55	263.88
<b>Total</b>	<b>253.55</b>	<b>263.88</b>

#### 16. DEFERRED TAX ASSETS/LIABILITIES (NET)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
<b>Deferred Tax liability</b>		
Property, Plant and equipment	821.35	786.90
Unrealised Gain in Investment	79.10	33.59
<b>Total</b>	<b>900.45</b>	<b>820.49</b>
<b>Deferred Tax Assets</b>		
Expenses allowable on payment basis	113.37	109.66
Expected Credit Loss	21.49	10.42
<b>Total</b>	<b>134.86</b>	<b>120.08</b>
<b>Net Deferred Tax (Assets)/Liabilities</b>	<b>765.59</b>	<b>700.41</b>

#### 17. OTHER NON CURRENT LIABILITIES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Export Benefit Received in Advance	-	10.72
Creditors for Capital Goods	141.62	-
<b>Total</b>	<b>141.62</b>	<b>10.72</b>

## 18. CURRENT BORROWINGS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Secured		
Loans repayable on Demand		
From Banks*	67.42	12.96
Current Maturities of Long Term Debts	-	-
<b>Total</b>	<b>67.42</b>	<b>12.96</b>

\* Secured by hypothecation of book debts, raw-material, finished goods, semi-finished goods, consumable stores and spares including in transit and also secured by a second charge by way of mortgage of immovable properties both present and future, excluding all the assets related to Ethanol Plant, and further personal guarantee of Mr. Vineet Jain - Managing Director.

## 19. TRADE PAYABLES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Sundry Creditors :		
Total outstanding dues of micro enterprises and small enterprise	16.78	75.93
Total outstanding dues of Creditors other than micro enterprises and small enterprises		
-Trade Payable Others	782.37	1,402.25
-Acceptances	9,103.89	9,975.58
-Deferred Credit	245.51	721.66
<b>Total</b>	<b>10,148.55</b>	<b>12,175.42</b>

### Trade Payable Ageing Schedule

Particulars	Amount (Rs. Lakh)					
	As at 31.03.2024					
	Not Due	Outstanding for following periods from due date of payments				
Less than 1 Year		1 - 2 Years	2 - 3 Years	More than 3 Years	Total	
MSME	16.78	-	-	-	-	16.78
Others	10,069.46	58.34	3.97	-	-	10,131.77
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
<b>Total</b>	<b>10,086.24</b>	<b>58.34</b>	<b>3.97</b>	<b>-</b>	<b>-</b>	<b>10,148.55</b>

### Trade Payable Ageing Schedule

Particulars	Amount (Rs. Lakh)					
	As at 31.03.2023					
	Not Due	Outstanding for following periods from due date of payments				
Less than 1 Year		1 - 2 Years	2 - 3 Years	More than 3 Years	Total	
MSME	75.93	-	-	-	-	75.93
Others	11,727.58	371.91	-	-	-	12,099.49
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
<b>Total</b>	<b>11,803.51</b>	<b>371.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,175.42</b>

There are no overdue outstanding of Micro, Small and Medium Enterprises as on 31<sup>st</sup> March 2024. Amount payable in respect of Capital Goods Rs. NIL (previous year Rs. 32.75 Lakhs).

## 20. CURRENT PROVISIONS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Provisions for Employee Benefits	365.96	458.96
<b>Total</b>	<b>365.96</b>	<b>458.96</b>

## 21. OTHER CURRENT LIABILITIES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Advance from Customers	456.01	286.92
Other Payables	272.48	263.84
Interest accrued but not due	30.85	-
<b>Total</b>	<b>759.34</b>	<b>550.76</b>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31.03.2024

## 22. CURRENT TAX LIABILITIES (NET)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
Provision for Income Tax (Net of TDS/TCS Rs. 71.50 lakh and Advance Tax Rs. 200.00 lakh (Previous year Net of TDS/TCS Rs. 78.72 lakh and Advance Tax Rs.1,000.00 lakh)	168.61	101.57
<b>Total</b>	<b>168.61</b>	<b>101.57</b>

## 23. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2024	As at 31.03.2023
<b>Contingent Liabilities</b>		
a) Sale tax/Excise Duty/Custom Duty/Other Statutory Due/ Service Tax disputed in appeal	289.40	285.50
b) Bank Guarantee	155.31	142.84
c) Labour cases disputed in appeal	7.08	5.76
<b>Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	61.33	4,907.47
b) Letter of credits opened for which the material has not yet been shipped	2,288.13	3,442.23

24. 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.

## 25. REVENUE FROM OPERATIONS

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Sales of Products	57,337.43	82,574.87
-Export Incentives / Benefits	185.39	221.38
<b>Total</b>	<b>57,522.82</b>	<b>82,796.25</b>

## 26. OTHER INCOME

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest	153.56	270.46
Claims Received	172.86	59.05
Miscellaneous Receipts & Income*	589.81	512.32
Profit on sale of fixed assets	0.17	0.03
Exchange Rate Difference (Net)	160.55	-
<b>Total</b>	<b>1,076.95</b>	<b>841.86</b>

\* includes unrealized gain of Rs. 180.86 Lakhs (previous year Rs. 133.44 Lakhs) on investment valued at Fair Market Value.

## 27. COST OF MATERIALS CONSUMED

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Inventory at the beginning of the period	12,542.93	9,308.56
Add: Purchases during the period	37,022.00	66,336.43
Less: Inventory at the end of the period	6,099.96	12,542.93
<b>Consumption during the period</b>	<b>43,464.97</b>	<b>63,102.06</b>

### Raw Materials Consumed (Major Heads)

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
ACRYLONITRILE	31,796.76	44,068.13
VINYL ACETATE MONOMER	2,289.76	2,332.21
DIMETHYL FORMAMIDE	402.22	793.04
HOMO POLYMER	4,378.50	6,411.20
OTHERS	4,597.73	9,497.48
<b>TOTAL</b>	<b>43,464.97</b>	<b>63,102.06</b>

## 28. Purchases of Stock In Trade-

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Traded Goods	7.48	-



## 29. CHANGES IN INVENTORIES

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Closing Stock		
Finished Goods		
- Own Manufactured	3,422.34	4,372.96
- Trading	4.03	2.10
Work in Progress	596.49	919.58
	4,022.86	5,294.64
Opening Stock		
Finished Goods		
- Own Manufactured	4,372.96	3,243.89
- Trading	2.10	16.46
Work in Progress	919.58	775.15
	5,294.64	4,035.50
<b>(Increase)/Decrease in stocks</b>	<b>1,271.78</b>	<b>(1,259.14)</b>

## 30. EMPLOYEE BENEFITS EXPENSES

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Salaries & Wages	2,244.22	2,234.94
Contribution to Provident & Other Funds	169.61	166.37
Staff Welfare Expenses	75.03	90.54
<b>Total</b>	<b>2,488.86</b>	<b>2,491.85</b>

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

### Employee Post Retirement Benefits

(Rs. in Lakhs)

Particulars	Current Year	Previous Year
<b>During the year, the following contribution have been made under defined contribution plans:-</b>		
Employer's Contribution to Provident Fund	56.45	53.13
Employer's Contribution to Employees Pension Scheme	49.61	50.30

### Defined Benefit Plans :

#### Changes in the present value of the obligations

(Rs. in Lakhs)

Particulars	Gratuity		Leave Benefit	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Present value of defined benefit obligation at the beginning of the year	700.88	732.69	321.60	309.73
Interest cost	52.33	51.98	23.77	22.02
Past Service Cost-Vested	-	-	-	-
Current service cost	35.76	36.16	33.62	32.00
Benefits Paid	(111.52)	(98.96)	(30.95)	(27.96)
Actuarial (gain)/loss on obligations	15.40	(20.99)	(3.68)	(14.19)
Present value of defined benefit obligation at the end of the year	<b>692.85</b>	<b>700.88</b>	<b>344.36</b>	<b>321.60</b>

**Change in fair value of plan asset**
**(Rs. in Lakhs)**

Particulars	Gratuity		Leave Benefit*	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Present value of Plan assets at the beginning of the year	694.68	702.85	-	-
Actual return on Plan Assets	51.86	49.87	-	-
Contributions	59.71	29.57	-	-
Benefits paid	(111.52)	(86.64)	-	-
Charges Deducted	(2.63)	(0.97)	-	-
Fair value of plan assets at the end of the year	692.12	694.68	-	-

\* Not applicable as it is a defined contribution plan.

**Amount recognized in Balance Sheet**
**(Rs. in Lakhs)**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Present value of obligation as at the end of the year	692.85	700.88	344.36	321.60
Fair value of Plan Assets as at the end of the year	692.12	694.68	-	-
Unfunded Net Assets/(Liability) recognised in Balance Sheet	(0.73)	(6.20)	( 344.36)	(321.60)

**Expenses Recognized in Profit & Loss**
**(Rs. in Lakhs)**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Current Service Cost	35.76	36.16	33.62	32.00
Past Service Cost Vested	-	-	-	-
Interest Cost	0.46	2.12	23.77	22.02
Total Expenses recognised in Profit & Loss Account	36.22	38.28	57.39	54.02

**Recognized in Other Comprehensive Income (OCI)**
**(Rs. in Lakhs)**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Net cumulative unrecognized actuarial (gain)/loss opening	-	-	-	-
OCI recognized during the year	18.03	(20.02)	(3.68)	(14.19)
Unrecognized actuarial (gain)/Loss at the end of the year	-	-	-	-
Total Actuarial (gain)/loss at the end of the year	18.03	(20.02)	(3.68)	(14.19)

**The principal actuarial assumptions used for estimating the Company's defined benefits obligation are set out below:**
**(Rs. in Lakhs)**

Particulars	Gratuity		Leave Benefit	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Financial Year 2022-23
Discount rate (per annum)	7.20%	7.45%	7.10%	7.37%
Rate of increase in Compensation Levels (Per Annum)	5.60%	5.60%	10.00%	10.00%
Expected average remaining working lives of employees (years)	15.29	13.50	14.63	12.95
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 COSTS

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Expense:		
- Banks	1.21	0.72
- Others	52.54	79.18
Bank and Finance Charges	203.98	281.03
<b>Total</b>	<b>257.73</b>	<b>360.93</b>

### 32. DEPRECIATION & AMORTISATION EXPENSES

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Depreciation	586.99	614.50
<b>Total</b>	<b>586.99</b>	<b>614.50</b>

- a) Effective 1<sup>st</sup> 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 1<sup>st</sup> 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 190.78 Lakh (Previous year Rs. 186.41 Lakh) instead of Rs. 193.33 Lakh (Previous Year Rs. 192.06 lakh), resulting in excess charge of depreciation during the year by Rs. 2.55 Lakh (Previous Year Rs. 5.64 Lakh).

### 33. OTHER EXPENSES

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Consumption of Stores & Spare	854.24	1,396.49
Power & Fuel	5,372.88	9,239.82
Rent	204.65	234.68
Repairs to Buildings	47.13	30.98
Repairs to Machinery	234.62	224.89
Repairs-Others	51.77	47.92
Insurance	155.80	149.40
Rates & Taxes	20.70	21.09
Travelling & Conveyance	112.52	148.22
Commission & Brokerage	13.63	10.23
Exchange Fluctuation (Net)	-	340.00
Freight Outward	906.03	986.67
Packing, Handling & Finishing Charges	83.58	86.61
Charity & Donation	6.29	6.68
Claim Paid/Irrecoverable Advances written off	1.16	14.55
Bad Debts written off (Net)	44.68	0.16
Miscellaneous Expenses*	572.07	544.91
<b>Total</b>	<b>8,681.75</b>	<b>13,483.30</b>

\* includes Rs. 113.00 Lakh (Previous Year Rs. 94.00 Lakh) being CSR expenses incurred by the Company during the year.

\*includes payment to auditors

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
As Statutory Audit Fees	15.00	12.00
As Audit Fees for Quarterly Audited Results	7.50	7.50
As Tax Audit Fees	2.00	1.25
For certification work	0.10	0.06
For Reimbursement of Expenses	0.08	0.04
<b>Total</b>	<b>24.68</b>	<b>20.85</b>

#### 34. EARNING PER SHARE (EPS)

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Basic Earnings Per Share</b>		
Profit/(Loss) after tax as per profit & loss account (Rs. Lakh) (A)	1,318.99	3,591.05
No. of equity shares (B)	8,91,33,121	8,91,33,121
Basic Earning Per Share (Rs.) (A/B)	1.48	4.03
<b>Diluted Earnings Per Share</b>		
Profit/(Loss) after tax as per profit & loss account (Rs. Lakh) (A)	1,318.99	3,591.05
No. of equity shares (B)	8,91,33,121	8,91,33,121
<b>Diluted Earning Per Share (Rs.) (A/B)</b>	<b>1.48</b>	<b>4.03</b>

#### 35. Ratios

S.N	Particulars	Numerator	Denominator	Current Year	Previous Year	Variance %
1	Current Ratio (in times)	Total Current Assets	Total Current Liabilities	2.83	2.82	0.35%
2	Debt-Equity Ratio (in times)	Total Debt Total Debt= Non-current borrowings and current borrowings	Average equity Equity= Equity Share Capital plus other Equity	0.13	Not Significant	-
3	Debt Service Coverage Ratio (in times)	Net Profit after tax plus Depreciation & Interest.	Interest expenses plus Principal repayment made during the period for long term loan	35.60	Not Significant	-
4	Return on Equity (in %)	Profit after tax	Average Shareholder Equity	4.09%	12.07%	-66.11%
5	Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory of Finished Goods, Stock in process & Stock in trade	9.60	13.26	-27.60%
6	Trade Receivable Turnover Ratio (in times)	Sale of Product	Average Trade Receivable	10.74	12.83	-16.29%
7	Trade Payable Turnover Ratio (in times)	Cost of Goods Sold plus Other Expenses	Average Trade Payable including Expenses payable	4.67	6.23	-25.04%
8	Net Capital Turnover Ratio (in times)	Revenue from Operation	Average Working Capital (i.e. Total Current Assets less Total Current Liability)	2.54	3.71	-31.60%
9	Net Profit Ratio (in %)	Profit for the year after Tax	Revenue from Operation plus Other Income	2.25%	4.29%	-47.55%
10	Return on Capital Employed (in %)	Profit before Tax & Interest on Borrowings	Capital Employed = Net Worth plus Deferred Tax Liabilities plus Borrowings	4.98%	15.01%	-66.82%
11	Return on Investment (in %)	Income Generated from Invested Funds	Average Investment	7.26%	5.69%	27.59%

### Reason for Variance

- Note**
- Return on Equity, Net Profit Ratio, Net Capital Turnover Ratio and Return on Capital Employed:** Declined due to low profitability during the year as the cost of production is relatively high as compared to previous year.
  - Inventory Turnover Ratio and Trade Payable Turnover Ratio:** Due to declined turnover caused by low demand
  - Return on Investment:** Better Return from Investments in Liquid Funds

### 36 Additional Regulatory Information

- Title Deeds of all Immovable properties are held in the name of the company.
- The company does not have any investment in property.
- During the year the company has not revalued its property, plant and Equipment (including right -of-Use Assets)
- During the year the company has not revalued its intangible assets
- During the year the company has not granted any Loan or advance in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are:
  - repayable on demand : or
  - without specifying any terms or period of repayment,
- The company does not have Intangible assets under development
- No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The company has borrowings from banks or financial institution on the basis of security of current assets and quarterly returns or statement of current assets filed by the company with banks or financial institutions are generally in agreement with books of accounts.
- The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- No charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (Restriction on number of layers) rule 2017.
- During the year any Scheme of Arrangements has not been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- Utilisation of Borrowed funds and share premium:-
  - The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
  - The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- Corporate Social Responsibility (CSR) **Amount (Rs. Lakh)**

Particulars	Current Year	Previous Year
Amount required to be spent by the company during the year*	112.54	93.84
Amount of Expenditure incurred	113.00	94.00
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Reason for shortfall	NA	N.A
Nature of CSR activities	Promoting Education	Promoting Education / Health Care
Details of related party transaction	NIL	NIL

\*In compliance of Section 135(5) of The Companies Act. 2013, the Company's total CSR obligation for the financial year 2023-24 was Rs. 112.54 Lakh (Previous Year Rs. 93.84 Lakh) which has been complied with by expending Rs. 113.00 Lakh (Previous Year Rs. 94.00 Lakh) during the year.

- The company has not traded or invested in Crypto Currency or Virtual currency during the year.

### 37 Related Party Disclosure:

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

##### (i) Key managerial personnel

Mr. Vineet Jain-Managing Director

Mr. S.P Gupta-Wholetime Director

Mr. Satish Kumar Bansal - CFO

Mr. Bharat Kapoor-Company Secretary

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

Mr. Manish Jain-Brother of Managing Director

##### (iii) 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.

Pasupati Advanced Films Pvt. Ltd.

Sulabh Plantation & Finance Pvt. Ltd.

##### iv) Other related Parties

Pasupati Officer's Provident Fund Trust

The Pasupati Acrylon Ltd. Employees Superannuation Scheme

The Pasupati Acrylon Ltd. Employees Group Gratuity Scheme

##### v) Subsidiaries Companies Nil

##### vi) Joint Venture / Joint control & Associates Nil

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

Particulars	Amount (Rs. Lakh)			
	Relatives of Key Managerial Personnel	Key Managerial Personnel	Enterprises over which KMP have significant influence	Others
Salaries & Allowances	9.73	171.97	-	-
	(9.66)	(303.74)	(-)	(-)
Rent/Lease Rent Paid	-	-	12.11	-
	(-)	(-)	(3.70)	(-)
Loan Repaid	-	-	-	-
	(-)	(-)	(-)	(-)
Interest Paid	-	-	-	-
	(-)	(-)	(-)	(-)
Contribution to Gratuity / PF / Superannuation Fund	2.25	18.90	-	65.24
	(2.25)	(17.89)	(-)	(64.00)
Corporate Guarantee	-	-	561.00	-
	(-)	(-)	(-)	(-)
Purchase of Assest	-	-	-	-
	(-)	(-)	(2.89)	(-)
For Expenses	-	-	4.38	-
	(-)	(-)	(4.25)	(-)

Previous period figures are given in bracket.

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

### 38. Financial risk management objectives and policies

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

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

**i. Market risk**

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

**ii. Foreign Currency Risk**

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

**Unhedged in Foreign Currency Exposure**

Particulars	Currency	( FC In Lakh)	
		31.03.2024	31.03.2023
Trade Receivable	USD	2.99	2.59
1% increase		0.03	0.03
1% decrease		(0.03)	(0.03)
Trade Payable	USD	47.63	35.61
1% increase		0.48	0.36
1% decrease		(0.48)	(0.36)

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

**(iii) Credit risk**

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

**39. Disclosure as required under IND AS 108- Operating Segments**

Operating Segments:

- a. Acrylic Fibre Division
- b. Cast Polypropylene Film Division (CPP Film)
- c. Ethanol Plant (under commissioning)

**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 31.03.2024**
**(Rs. in Lakh)**

Particulars	Acrylic Fibre	CPP	Ethanol*	Unallocated	Total
Segment Revenue	49,743.47	7,779.35	-	-	57,522.82
Segment Results (Profit before Exceptional Item, Interest and Tax)	2,510.22	(412.28)	-	-	2,097.94
Finance Cost	-	-	-	257.73	257.73
Exceptional Item	-	-	-	-	-
Profit before Tax				-	1,840.21
Segment Assets	33,487.73	7,122.95	9,292.44	-	49,903.12
Segment Liabilities	12,118.34	359.96	4,547.90	-	17,026.20
Capital Expenditure	394.88	-	7,741.42	-	8,136.30
Depreciation	311.08	275.91	-	-	586.99

**For the year ended 31.03.2023**
**(Rs. in Lakh)**

Particulars	Acrylic Fibre	CPP	Ethanol*	Unallocated	Total
Segment Revenue	71,928.37	10,867.88	-	-	82,796.25
Segment Results (Profit before Exceptional Item, Interest and Tax)	5,911.98	(706.44)	-	-	5,205.54
Finance Cost	-	-	-	360.93	360.93
Exceptional Item	-	-	-	-	-
Profit before Tax				-	4,844.61
Segment Assets	37,623.22	8,220.13	-	-	45,843.35
Segment Liabilities	13,700.28	574.40	-	-	14,274.68
Capital Expenditure	31.30	218.04	55.29	-	304.63
Depreciation	354.49	260.01	-	-	614.50

\* Company is in the process of setting-up 150 KL per day grain based Ethanol plant at adjoining site to the existing plant as third segment, the commissioning work of which is in progress.

**SECONDARY SEGMENT (GEOGRAPHICAL SEGMENT)**

The geographical segment has been considered as secondary segment. The analysis of geographical segment is based on the geographical location of the customers. The company operates primarily in India and has presence in international markets as well. Accordingly the company has considered domestic and export markets as the geographical segments.

**(Rs. in Lakhs)**

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Gross Sale Revenue by Geographical Segment		
Within India	52,884.81	73,056.64
Outside India	4,638.01	9,739.42
<b>Total</b>	<b>57,522.82</b>	<b>82,796.06</b>

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

Class of Goods	For the year ended 31.03.2024		For the year ended 31.03.2023	
	Percentage	Amount (Rs. Lakh)	Percentage	Amount (Rs. Lakh)
<b>Raw Materials</b>				
Imported	78.76	34,234.29	80.42	50,748.59
Indigenous	21.24	9,230.68	19.58	12,353.47
	<b>100.00</b>	<b>43,464.97</b>	<b>100.00</b>	<b>63,102.06</b>
<b>Stores &amp; Spares</b>				
Imported	2.39	20.40	0.54	7.51
Indigenous	97.61	833.84	99.46	1,388.98
	<b>100.00</b>	<b>854.24</b>	<b>100.00</b>	<b>1,396.49</b>



#### 41. OTHER INFORMATIONS

Particulars	Amount (Rs. Lakh)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
CIF value of Imports		
Raw materials	30,627.24	48,036.64
Stores & spares	20.96	23.95
Capital Expenditure	-	-
Expenditure in Foreign Currency		
Travelling	12.69	11.65
Commission on export Sales. (excluding Rs. 0.83 Lakh (Previous year Rs. 2.03 Lakh ) paid in INR for Export)	10.05	2.62
Interest & Other Charges	33.91	51.26
Earnings in Foreign Currency		
FOB value of exports (excluding Rs. Nil (Previous year Rs. Nil Lakh ) export in INR)	4,513.52	9,331.73

42. Figures for the previous period have been regrouped / rearranged wherever considered necessary.

As per our report of even date annexed  
For B.K. Shroff & CO.,  
Chartered Accountants  
Reg. No. 302166E

Vineet Jain  
Managing Director  
DIN : 00107149

Deveshwer Kumar Kapila  
Director  
DIN : 00179060

Kavita Nangia  
Partner  
Membership No. 090378

S.C. Malik  
Director  
DIN : 00107170

Satish Kumar Bansal  
Chief Financial Officer

Place: New Delhi  
Date : 17<sup>th</sup> May, 2024

Bharat Kapoor  
Company Secretary

## PASUPATI ACRYLON LIMITED

CIN : L50102UP1982PLC015532

Regd. Office & Works: Kashipur Road, Thakurdwara, Dist. Moradabad (U.P.) - 244601

Corp Office: M - 14, Middle Circle, Connaught Circus, New Delhi - 110001

Tel. Nos. 91-011-47627400; Fax No.: 91-011-47627497, 47627498

Website: www.pasupatiacrylon.com; Email : palsecretarial@gmail.com

### ATTENDANCE SLIP

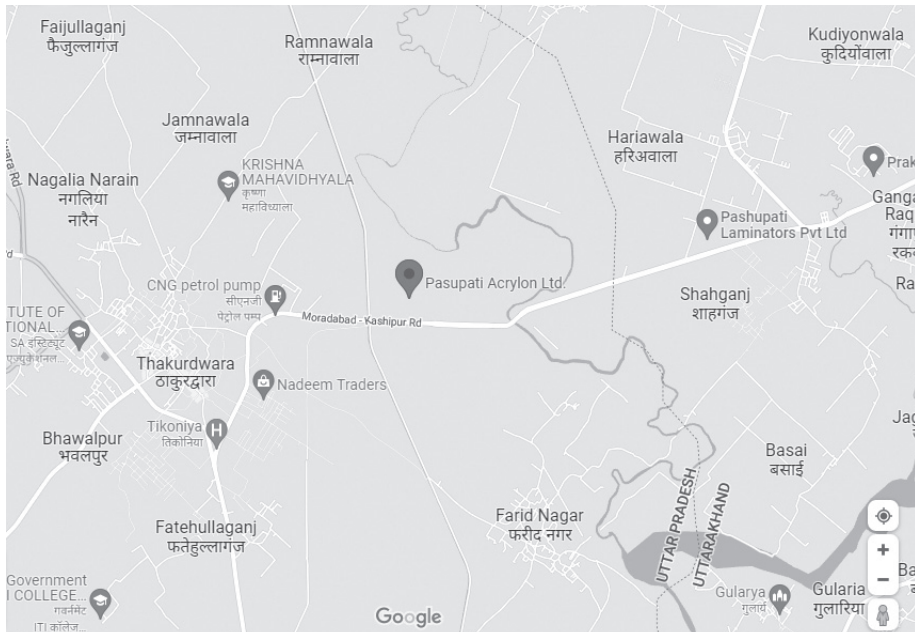
Name of the Shareholder	
Registered Address	
Registered Folio No./*DP ID - Client ID No. (*Applicable to investors holding shares in Dematerialized Form)	
No. of Shares Held	
Whether the shareholder is attending the meeting in person or by proxy or by authorized representative	
Name of the proxy (to be filled in if the proxy attends instead of the shareholder)	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the **41<sup>st</sup> Annual General Meeting** of the Company on **Wednesday, the 21<sup>st</sup> August, 2024 at 10:30 A.M.** at Kashipur Road, Thakurdwara, Dist. Moradabad - 244601 (U.P).

\_\_\_\_\_  
Signature of Shareholder/Proxy

**Note: Please complete this attendance slip and hand it over at the Entrance of the Meeting Venue.**

### Route Map of the Annual General Meeting



**Form No. MGT-11**

**Proxy form**

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

**CIN:** L50102UP1982PLC015532

**Name of the Company:** Pasupati Acrylon Limited

**Registered office:** Kashipur Road, Thakurdwara, Dist. Moradabad (U.P.) – 244601

Name of the Member(s):	
Registered Address:	
Email Id:	
Folio No.	
DP Id – Client ID:	

I/ We being the member(s) of ....., holding.....shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature \_\_\_\_\_, or failing him/her
2. Name: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her
3. Name: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 41<sup>st</sup> Annual General Meeting of the Company, to be held on Wednesday, 21<sup>st</sup> August, 2024 at 10:30 A.M. at the Registered Office of the Company at Kashipur Road, Thakurdwara, Dist. Moradabad (U.P.) - 244601, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business :</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2024 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.
<b>Special Business :</b>	
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.
4.	To approve continuation of term of Mr. Subhash Chandra Malik (DIN-00107170) as a Non-Executive Independent Director beyond the age of 75 years in his current tenure.
5.	To ratify the remuneration of Cost Auditors for the financial year ended 31st March, 2025.

Signed this ..... day of..... 2024

Signature of Shareholder

Signature of Proxy holder(s)

**Affix  
Revenue  
Stamp**

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

*IF UNDELIVERED PLEASE RETURN TO*



**PASUPATI ACRYLON LIMITED**

*Corporate Office:*

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