

Astral Annual Report

2014-15



Bond it forms Joint Venture with Indian Piping Giant



The equity deal will see the British manufacturer of sealants, adhesives, waterproofing compounds and other building chemicals operate in partnership with Gujarat-headquartered Astral Poly Technik. Astral Poly Technik is a 450 million pound business that manufactures a broad product portfolio, including

chlorinated polyvinyl chloride and polyvinyl chloride piping. Bond it plans the use the joint venture relationship to continue aggressive plans for expansion. Bond it managing director David Moore said: "The deal comes after extensive negotiation and represents a win-win situation for

everyone involved."

"By enjoying access to Bond IT's range, which includes plumbing solutions, our partners at Astral Poly Technik are able to maximize some of the impressive opportunities offered by the India economy – one of the fastest growing in the world."

Bond it blasts unsightly organic growth

Bond it, one of the UK's leading independent manufacturers of building chemicals, has launched a new product – Patio Blaster – which prevents unsightly organic growth turning outdoor features and prized investments like caravans and conservatories into eyesores.

Commenting, Kirstie Cooper, Marketing Manager at Bond It, said: "This product builds on our portfolio of high performance products and takes full advantage of our in-depth expertise. It also reflects our commitment to adding value and assisting customers in as many areas as possible."

Salman Khan vouches for Astral Strong Pipes

Our association with Salman Khan is in sync with our brand communication that highlights the strength of our products. We have earlier partnered with the movie Dabangg-2, where Salman actually used Astral Pipes in the film. Now, our association with him as brand ambassador will further strengthen the brand image and take it to the next level," said Sandeep Engineer, MD, Astral Poly Technik. Astral Poly Technik has, over the years, created a strong client base across all sectors of industry like retail, residential, commercial, medical and industrial



The Vision

World class facilities:

Ahmedabad, Dholka, Baddi, Hosur. Astral has the capacity to create the highest quality products to meet the ever expanding demand. We also have storehouses in Bengaluru, Coimbatore, Delhi, Goa, Hyderabad, Kolkata & Vijayawada.



Key Certifications in the category

Astral always emphasizes on quality maintenance and product enhancement. Astral is the only company in India having Certification from NSF International for its CPVC products. Astral CPVC products are first to be listed with IAPMO - India for Uniform Plumbing Code - India (UPC-I). The company has UL approval for CPVC BlazeMaster Fire Sprinkler Systems for above ground as well as underground water mains.



Astral has done quite well this year by delivering 20% volume growth. This year will be seen as remarkable milestone as we begin venturing into a new business category.

Many positive factors are set to drive growth in the coming years and Astral is all geared up to utilize all the coming opportunities.

Shree Sandeep Engineer
MD, Astral Poly Technik Ltd.

Presenting our **state-of-the-art** production facility at Dholka



Business Outlook



A company with Global footprint and near \$ 1 BN market capitalization



PVC and CPVC Market Size to be Rs. 165 BN.

Last five years, the plastic industry has seen strong demand traction from growth in construction activities particularly in Tier II and Tier III cities along with replacement demand.

Astral Firsts:

Astral was first to get CPVC licence from Lubrizol in 1996. It was first to launch lead free PVC pipe in India in 2004. Astral was first to get certified by NSF in 2007. It was first to launch Bendable pipes in 2013 and also was first to get BIS certification for Blazemaster pipes in 2014. It has got extensive distribution channel of 400+ Distributors and 18,000+ Dealers across India at the end of FY 14 and has total employee strength of 602.

Poised to enter new category of Adhesives with strong backing of Technology and Talent



Resinova has evolved as leading manufacturers of adhesives & sealants, construction chemicals, & industrial maintenance products along with manufacturing and formulation expertise in the field of epoxy resins & hardeners, acrylics, UV Cure, Cyanoacrylates, Silicones, Anaerobic etc. Resinova's products have varied applications including automobile, construction, chemicals, engineering, industrial, furniture, sanitary and household sectors.

On its part, Resinova sells its products in around 50 brands and 600 SKUs with some of the key brands of the company being 'Bondtite', 'Resibond', 'Bondset', 'Solvobond', 'Vetra' and 'Zesta' and many more.

Resinova's supply chain network consists of 11 branch offices and more than 1700 channel partners reaching out to around 400,000 retail outlets across India.

Only 40% of agricultural land is under irrigation

So far in India, only 40% of agricultural land is under irrigation. There is extensive scope for agricultural and column pipes market as more than half of the land is yet to be covered under irrigation in India.



Brand Ambassador



Bollywood Heart throbe
SALMAN KHAN
vouches for Astral Strong Pipes

“With continuous growth in Indian infrastructure, Astral always introduces new innovative and cost effective products.”

KEY HIGHLIGHTS

(₹ In Lacs)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Capacity (In M.T.)	48,432	65,496	77,212	97,164	102,371
Utilisation (In M.T.)	28,289	38,824	49,495	60,400	69,925
Sales	43,676.35	62,221.01	89,876.36	1,17,067.23	1,36,794.53
Less : Excise Duty	2,593.87	4,289.20	7,784.23	9,787.25	11,583.74
Net Sales	41,082.48	57,931.81	82,092.13	1,07,279.98	1,25,210.79
Other Operating Income	64.28	189.85	11.64	41.20	53.73
Total Income	41,146.76	58,121.66	82,103.77	1,07,321.18	1,25,264.52
Operating Profit (PBITD)	5,663.42	8,372.83	11,357.13	15,574.81	15,051.28
Non Operating Income	62.62	199.93	189.41	207.35	133.22
Interest	459.17	655.46	692.46	821.36	1,293.87
Gross Profit	5,266.87	7,917.30	10,854.08	14,960.80	13,890.63
Depreciation #	1,071.92	1,337.75	1,766.60	2,132.85	3,301.43
Profit Before Tax & Exceptional Items	4,194.95	6,579.54	9,087.48	12,827.95	10,589.20
Exceptional Items (Exchange Gain/(Loss))	24.47	(1,542.97)	(1,296.02)	(2,690.28)	(928.47)
Profit Before Tax	4,219.42	5,036.57	7,791.46	10,137.67	9,660.73
Tax	794.97	992.62	1,736.00	2,386.68	2,841.44
Profit After Tax	3,424.45	4,043.95	6,055.46	7,750.99	6,819.29
Prior Year Adjustments	65.17	68.48	103.42	30.48	(65.20)
Net Profit	3,359.28	3,975.46	5,952.04	7,720.51	6,884.49
Paid Up Equity Capital	1,123.81	1,123.81	1,123.81	1,123.81	1,183.65
Reserve and Surplus *	13,633.80	17,315.39	22,939.60	30,232.80	59,999.89
Shareholders' Funds	14,757.60	18,439.20	24,063.41	31,356.61	61,183.54
Loans	3,113.37	6,354.89	6,305.89	7,856.27	11,176.04
Deferred Tax Liability (Net)	169.00	169.00	875.91	1,306.13	1,793.03
Capital Employed **	17,230.14	23,725.92	30,115.85	40,243.79	72,031.08
Gross Fixed Assets	13,798.71	20,236.72	27,032.03	36,358.91	40,493.27
Capital Work In Progress	809.84	1,237.18	1,129.37	285.33	2,142.35
Net Fixed Assets ***	10,400.96	15,505.43	20,429.02	27,642.77	28,339.96
Net Current Assets	5,791.00	7,228.58	8,209.63	9,998.61	14,779.86
Book Value (₹)	13.13	16.41	21.41	27.90	53.57
Earning Per Equity Share (₹)	2.99	3.54	5.31	6.87	6.03
Cash Earning Per Equity Share (₹)	3.94	4.73	7.50	9.15	9.40
Dividend (%)	22.50%	22.50%	25.00%	32.50%	37.50%
Inventory Days	106.90	111.60	92.60	89.30	79.80
Debtors Days	75.40	64.60	46.50	48.50	55.00
Debt : Equity (Long Term Debt/Total Net Worth)	0.30	0.48	0.37	0.38	0.26
Debt : Equity (Total Debt/Total Net Worth)	0.21	0.34	0.26	0.25	0.18

* Excluding Revaluation Reserves and reducing miscellaneous expenditure.

** Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress.

*** Excluding Revaluation Reserves and Capital Work in Progress.

Depreciation for the year 2014-15 is calculated as per Schedual-II of the Companies Act, 2013.

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COMPANY INFORMATION

Astral Poly Technik Limited

CIN : L25200GJ1996PLC029134

(Tel No: +91 79 66212000) (Fax No: +91 79 66212121) (E-Mail: co@astralpipes.com) (Website: www.astralpipes.com)

Board of Directors

Mr. K.R. Shenoy
 Mr. Sandeep P. Engineer
 Mrs. Jagruti S. Engineer
 Mr. Kyle A. Thompson
 Mr. Anil Kumar Jani
 Mr. Pradip N. Desai
 Mr. Narasinh K. Balgi

Chairman (Independent Director)
 Managing Director
 Whole Time Director
 Non-Executive Director
 Non-Executive Director
 Independent Director
 Independent Director

Chief Financial Officer

Mr. Hiranand A. Savlani

Company Secretary

Mr. Krunal Bhatt

Statutory Auditors

Deloitte Haskins & Sells
 (Chartered Accountants)
 'Heritage', 3rd Floor,
 Near Gujarat Vidhyapith,
 Off Ashram Road,
 Ahmedabad-380 014, Gujarat, India

Registered & Corporate Office

"Astral House"
 207/1, B/h. Rajpath Club,
 Off S. G. Highway,
 Ahmedabad-380 059, Gujarat, India
 Ph. No. +91 79 66212000
 Fax No. +91 79 66212121

Registrar & Share Transfer Agent

Bigshare Services Private Limited
 E-2/3, Ansa Industrial Estate,
 Sakivihar Road, Saki Naka,
 Andheri (E), Mumbai – 400 072.
 Ph. No. +91 22 40430200
 Fax No. +91 22 28475207

Our Bankers

Corporation Bank
 Standard Chartered Bank
 HDFC Bank Limited
 IDBI Bank Limited
 IndusInd Bank
 HSBC Bank

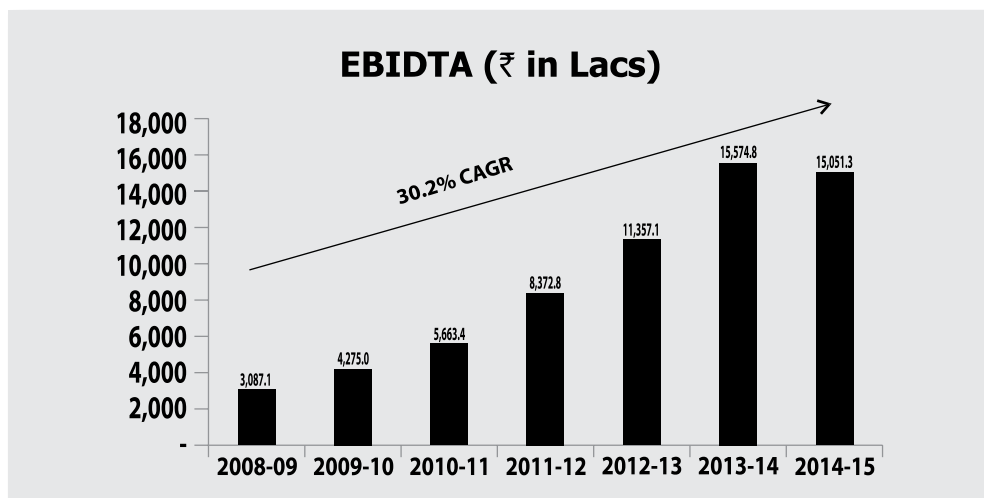
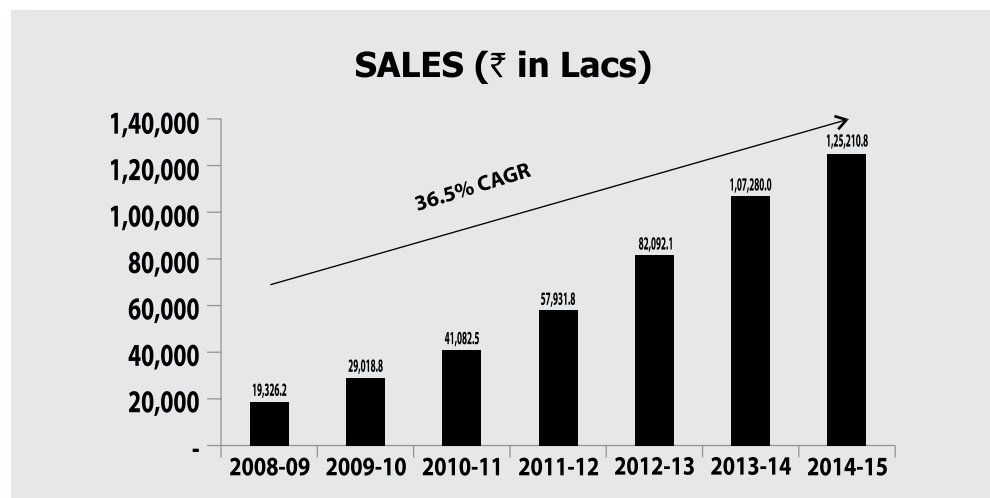
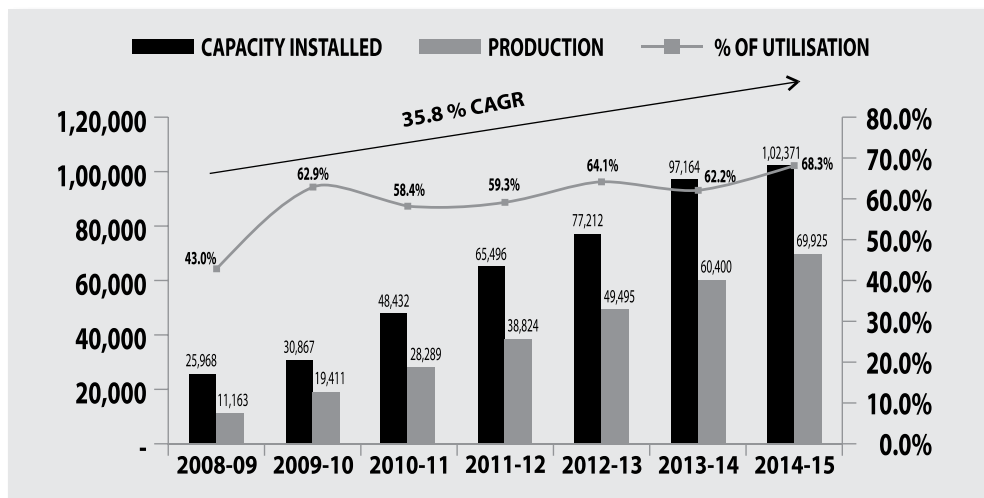
Factory Location

Santej (Gujarat)
 Dholka (Gujarat)
 Hosur (Tamilnadu)

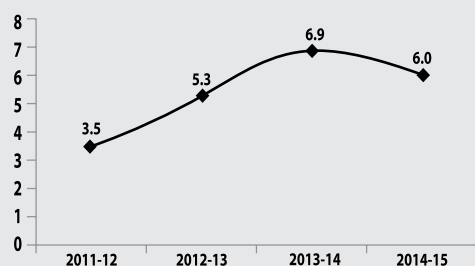
Branch Offices

New Delhi
 Mumbai (Maharashtra)
 Secunderabad (Telangana)
 Chennai (Tamilnadu)
 Bangalore (Karnataka)
 Jaipur (Rajasthan)
 Lucknow (Uttar Pradesh)
 Hyderabad (Andhra Pradesh)
 Kochi (Kerala)
 Pune (Maharashtra)

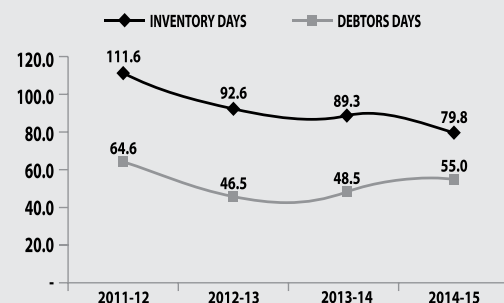
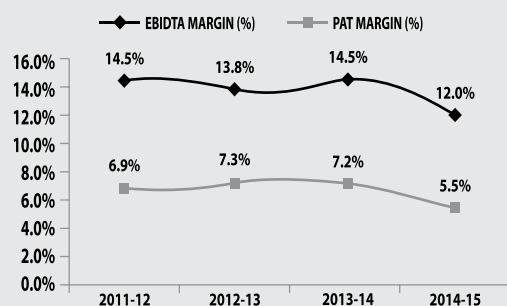
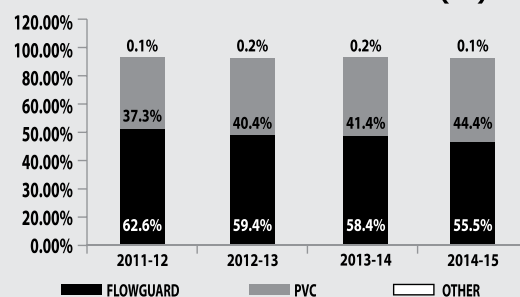
KEY FINANCIAL HIGHLIGHTS 2014-15



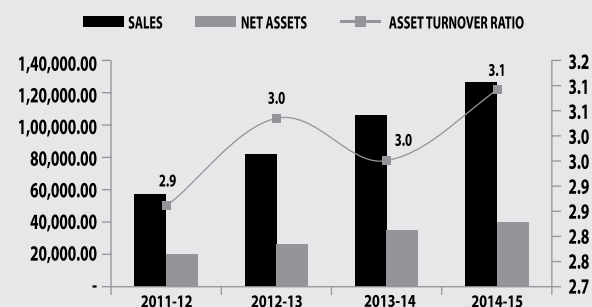
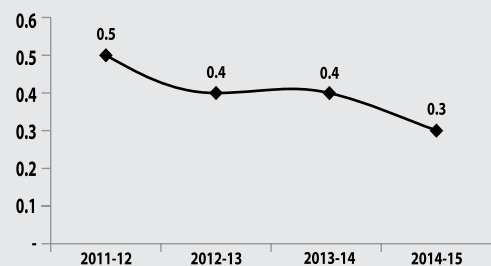
EPS



PRODUCT-WISE SALES BREAKUP (%)



DEBT/EQUITY RATIO



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 19th Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

1. FINANCIAL HIGHLIGHTS:

The Standalone and Consolidated Financial Results for the year ended 31st March, 2015 are as follows:

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	FY 14-15	FY 13-14	FY 14-15	FY 13-14
Net Sales/Income from Operations	1,25,210.79	1,07,279.98	1,42,937.68	1,07,963.92
Other Operating Income	53.73	41.20	53.73	41.20
Total Income	1,25,264.52	1,07,321.18	1,42,991.41	1,08,005.12
Total Expenditure	1,10,213.24	91,746.37	1,26,162.06	91,990.74
Profit Before Depreciation, Interest and Tax	15,051.28	15,574.81	16,829.35	16,014.38
Finance Cost	1,293.87	821.36	1,499.27	885.51
Depreciation	3,301.43	2,132.85	3,641.93	2,191.06
Profit Before Exceptional Items	10,455.98	12,620.60	11,688.15	12,937.81
Other Non-Operating (Income) Expenses/Exceptional Items	795.25	2,482.93	736.31	2,484.39
Profit Before Tax	9,660.73	10,137.67	10,951.84	10,453.42
Provision for Taxation (Including Prior Year Adjustment)	2,776.24	2,417.16	3,134.39	2,523.65
Net Profit before minority interest	6,884.49	7,720.51	7,817.45	7,929.77
Minority Interest	-	-	228.05	38.31
Net Profit for the year	6,884.49	7,720.51	7589.40	7891.46
Surplus in Statement of Profit & Loss	23,584.75	17,438.87	23,713.89	17,397.14
Amount available for appropriation	30,469.24	25,159.38	31,303.29	25,288.60
Appropriations:				
Interim Dividend	168.57	140.48	168.57	140.48
Proposed Final Dividend	266.32	224.76	266.32	224.76
Dividend Distribution Tax	86.95	62.07	86.95	62.07
Transferred to General Reserve	-	1,025.00	-	1,025.00
Balance carried to Balance Sheet	29,947.40	23,707.07	30,781.45	23,836.29

2. DIVIDEND:

Your Directors have recommended a Final Dividend of ₹0.225 (i.e. 22.5%) per equity share for the financial year ended 31st March, 2015 subject to approval of members in the ensuing Annual General Meeting. During the year under review, Interim Dividend of ₹0.15 per equity share was declared and paid. The final dividend and interim dividend will absorb ₹434.89 Lacs during the year under review compared to ₹365.24 Lacs absorbed in the previous year.

3. CONSOLIDATED FINANCIAL AND OPERATIONAL REVIEW:

- Consolidated Net Sales has increased by 32% from ₹1,07,963.92 Lacs to ₹1,42,937.68 Lacs.
- Consolidated EBDITA has increased by 5% from ₹16,014.38 Lacs to ₹16,829.35 Lacs.
- Consolidated Net Profit has marginally decreased from ₹7,891.46 Lacs to ₹7,589.40 Lacs.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of your Company.