

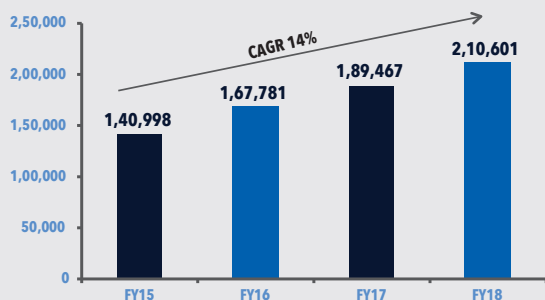
A TRENDSETTER, EVEN IN | **GROWTH**

SCALING NEW HIGHS OF SUCCESS & INNOVATION.

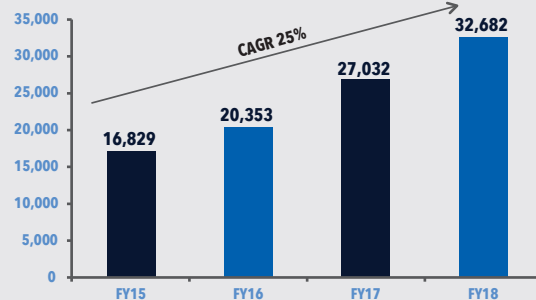


Growth in Numbers (Consolidated)

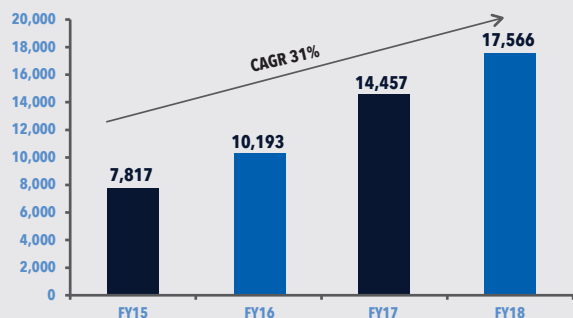
SALES (NET) (RS. IN LACS)



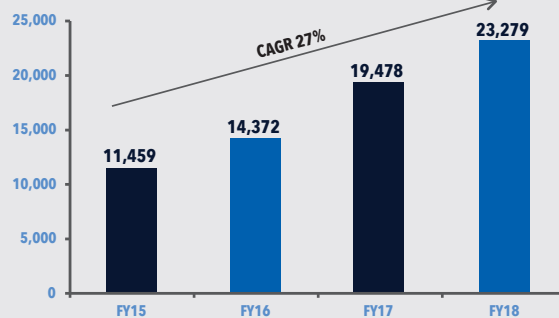
EBIDTA (RS. IN LACS)



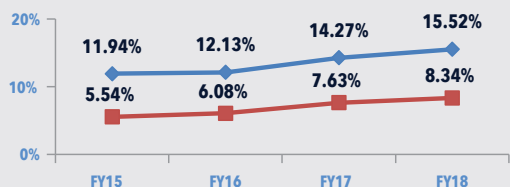
PAT (RS. IN LACS)



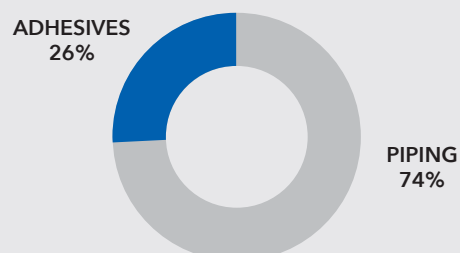
CASH PROFIT (RS. IN LACS)



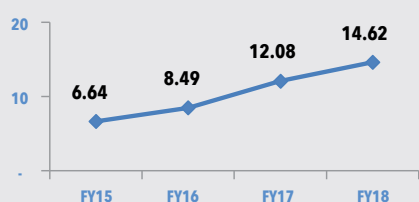
EBIDTA MARGIN(%) PAT MARGIN(%)



SEGMENT REVENUE (FY 18)



EPS



From the MD's Desk

At Astral we are committed to bringing new, innovative products that add to the solutions ecosystem in the Indian market. It's always been our goal to change the market norms rather than to confine by them. This year, our focus will be to launch products for the infrastructure sector as well as the domestic sector. We are introducing advanced products for drainage and hot/cold plumbing systems.

Apart from this, the launch of our 'ResiQuick' instant Adhesive product has taken the brand 'Astral' to every nook and corner of India. ResiQuick is a substantially superior product, the first of its kind instant adhesive ampule, available at an attractive price point in the Indian market. We have spared no efforts or expenses in developing and bringing the latest solutions driven products for the Indian consumers.

India is a growing economy and the potential for these new products in the Indian market is enormous. Indian consumer today wants newer products that solve problems and the growing economy presents with huge opportunities for our industries. Our new products launched with keeping Indian requirements and Indian consumers in mind, will continue to keep Astral on the growth trajectory and make it stand out from the competition.



"Bringing world class solutions for Indian consumers has always been our focus and in future, we will continue to expand our offerings while keeping Indian requirements and global standards in mind"

SANDEEP ENGINEER

MD



Artist's impression, manufacturing facility - Ghiloth, Alwar, Rajasthan.

Management Speaks

HIRANAND SAVLANI, CFO: JUDICIOUS CAPITAL UTILIZATION FOR SUSTAINABLE GROWTH

To continue the growth journey that Astral has seen over the years, as communicated earlier, the capital allocation is very important for all of us. Astral being a responsible corporate house on growth trajectory, we always try to judiciously allocate the money for growth rather than to be either a debt-free company or sitting on cash to maximise the returns for our shareholders.

Astral is always on lookout for growth and expansion opportunities, and as long as profitable growth avenues are available in the similar or relevant sector to leverage the Brand & Network, we will continuously keep deploying the capital and will try to maximise the returns for our shareholders. We made the right decision of entering into Adhesive Business 3 years before and now we are entering into Double Wall Corrugated (DWC) pipes and Infrastructure space through inorganic way and we feel this new category will take the company to a new height in terms of growth and profitability while expanding the offerings for the market.

Growth Drivers

PIPING BUSINESS

● **NEW PRODUCTS :**

- **'RECYFIX'** - comprehensive range of surface drainage system
- **'PEX-A PRO'** - Advanced, next generation plumbing system for hot and cold water
- **'INSUPRO'** - XLPE Insulation for hot and cold water piping as well as for HVAC etc.
- Launched 'Double Wall Corrugated' pipes for underground drainage system - that can replace bigger diameter RCC pipes
- Backward integration in CPVC at all plants. This will help improve in gross margins

● **UPCOMING MANUFACTURING FACILITIES:**

- Rajasthan plant has commenced commercial production from June 2018
- Additional capacity in Hosur plant will be operational and to start commercial production from September 2018
- Exploring to establish footprint in East India by setting up a manufacturing facility

ADHESIVES BUSINESS

- Present build-up capacity can generate business around INR 12,000 MN. Currently offering total 642 SKUs
- Adhesives plant in USA has started operations. With the support of UK operations, earning is expected to grow faster
- Many new products are being developed which will be launched in due course
- Successfully launched **'RESIQUICK'** 0.5 g ampule pack of Cyanoacrylate
- Expanding distributor network across India
- USA products (Silicone Tape etc.) will be launched here in India in Q3 '18

INTRODUCING



0.5g

ALL NEW MULTI-PURPOSE
INSTANT ADHESIVE



FEATURES AND BENEFITS

- Attractive and user-friendly ampule
- Easy and precise application, single drop accuracy
- Cost effective due to multiple usage
- Higher shelf life

ResiQuick[®]
Instant Adhesive



BEND

THE RULES OF PLUMBING

Astral Pipes is proud to introduce Pex-a Pro. A revolutionary system for Hot and Cold Water Plumbing Application.

ASTRAL
PEX-a PRO™
NEXT GEN HOT & COLD WATER PLUMBING SYSTEM

KEY HIGHLIGHTS (STANDALONE)

(₹ in Lacs)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Capacity (In M.T.)	97,164	1,02,371	1,27,762	1,37,708	1,52,101
Utilisation (In M.T.)	60,400	69,925	77,909	87,694	1,05,753
Sales	1,17,067	1,36,795	1,46,751	1,64,734	1,63,031
Less : Excise Duty	9,787	11,584	15,015	17,143	2,266
Net Sales	1,07,280	1,25,211	1,31,736	1,47,591	1,60,765
Other Income	249	187	272	904	1,310
Total Income	1,07,529	1,25,398	1,32,008	1,48,495	1,62,075
PBIDT	15,782	15,184	16,784	21,525	24,767
Interest	821	1,294	1,218	1,371	1,315
Gross Profit	14,961	13,890	15,566	20,154	23,452
Depreciation	2,133	3,301	3,544	4,173	4,666
Profit Before Tax & Exceptional Items	12,828	10,589	12,022	15,981	18,786
Exceptional Items # (Exchange Gain/(Loss))	(2,690)	(928)	(1,629)	(58)	(721)
Profit Before Tax	10,138	9,661	10,393	15,923	18,065
Tax	2,387	2,841	3,293	5,270	6,141
Profit After Tax	7,751	6,820	7,100	10,653	11,924
Prior Year Adjustments	30	(65)	(184)	(10)	22
Net Profit	7,721	6,885	7,284	10,663	11,902
Other Comprehensive Income (Net of tax)	-	-	(50)	(16)	(2)
Total Comprehensive Income	7,721	6,885	7,234	10,647	11,900
Paid Up Equity Capital	1,124	1,184	1,198	1,198	1,198
Reserve and Surplus ¹	30,233	59,653	71,900	82,304	93,561
Shareholders' Funds	31,357	60,837	73,098	83,502	94,759
Loans	7,856	11,176	12,159	9,851	7,335
Deferred Tax Liability (Net)	1,306	1,793	2,149	2,616	2,880
Capital Employed ²	40,244	72,031	86,630	94,285	98,556
Gross Fixed Assets	36,359	40,493	51,529	60,345	68,896
Capital Work In Progress	285	2,142	807	1,725	6,467
Net Fixed Assets ³	27,643	28,340	35,994	40,792	44,743
Net Current Assets	9,999	14,780	13,956	17,217	16,677
Book Value (₹)	27.90	53.57	61.45	69.72	79.10
Earning Per Equity Share (₹)	6.87	6.03	6.12	8.90	9.94
Cash Earning Per Equity Share (₹)	9.15	9.40	9.40	12.78	14.30
Dividend (%) ⁴	32.50%	37.50%	40.00%	50.00%	55.00%
Debt : Equity (Long Term Debt/Total Net Worth)	0.38	0.26	0.23	0.18	0.12

1. Excluding Revaluation Reserves and reducing miscellaneous expenditure

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

3. Excluding Revaluation Reserves and Capital Work in Progress.

4. Dividend for the year 2017-18 includes final dividend declared at 35% by Board of Directors in their meeting held on May 23, 2018, subject to approval of shareholders in AGM.

"Exceptional items for the year 2015-16 includes ₹ 83.11 lacs paid by company towards full and final settlement of employees dues in respect of Baddi Plant. "Exceptional items for the year 2017-18 includes ₹ 296.25 lacs for provision made by company for diminution on its investment in Joint Venture viz : Astral Pipes Ltd."

Note : Data from the year 2015-16 onwards are in compliance with Ind AS.

CONTENTS

Particulars	Page No.
Company Information	01
Directors' Report	02
Management Discussion and Analysis	17
Corporate Governance Report	21
Business Responsibility Report	33
Independent Auditors' Report on Standalone Financial Statements	39
Standalone Balance Sheet	44
Standalone Statement of Profit & Loss	45
Standalone Statement of Cash Flows	46
Standalone Statement of Changes in Equity	47
Notes forming part of the Financial Statements	48
Independent Auditors' Report on Consolidated Financial Statements	81
Consolidated Balance Sheet	84
Consolidated Statement of Profit & Loss	85
Consolidated Statement of Cash Flows	86
Consolidated Statement of Changes in Equity	87
Notes forming part of the Consolidated Financial Statements	88
Salient features of the financial statements of Subsidiaries / Associates / Joint Ventures	127

COMPANY INFORMATION

Astral Poly Technik Limited

CIN : L25200GJ1996PLC029134

(Tel No: +91 79 66212000) (Fax No: +91 79 66212121) (E-Mail: info@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 D. Bhatt

Statutory Auditors

S R B C & CO LLP
(Chartered Accountants)
2nd floor, Shivalik Ishaan,
Near C N Vidyalaya,
Ambawadi, Ahmedabad - 380 015, Gujarat, India.

Registered & Corporate Office

"Astral House"
207/1, B/h. Rajpath Club,
Off S. G. Highway,
Ahmedabad-380 059, Gujarat, India

Registrar & Share Transfer Agent

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai 400 059
Phone No. : +91 22 62638200
Fax No. : +91 22 62638299

Bankers

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

Factory Location

Santej (Gujarat)
Dholka (Gujarat)
Hosur (Tamilnadu)
Ghilothe (Rajasthan)

Branch Offices

Bengaluru (Karnataka)
Chennai (Tamilnadu)
Hyderabad (Telangana)
Jaipur (Rajasthan)
Kochi (Kerala)
Lucknow (Uttar Pradesh)
Mumbai (Maharashtra)
New Delhi
Pune (Maharashtra)
Indore (Madhya Pradesh)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

1. FINANCIAL HIGHLIGHTS:

The Standalone and Consolidated Financial Results for the year ended 31st March, 2018 are as follows:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	FY 17-18	FY 16-17	FY 17-18	FY 16-17
Income from Operations (Net)	1,60,970	1,47,670	2,10,601	1,89,467
Other Income	1,105	825	1,268	912
Total Expenditure	1,37,308	1,26,969	1,78,921	1,63,086
Profit Before Depreciation, Interest and Tax	24,767	21,526	32,948	27,293
Finance Cost	1,740	1,429	2,158	1,840
Depreciation and amortization expense	4,666	4,173	5,713	5,020
Profit Before Exceptional Items & Tax	18,361	15,924	25,077	20,433
Exceptional Items	(296)	-	-	(98)
Share of profit/(loss) of joint venture	-	-	(266)	(262)
Profit Before Tax	18,065	15,924	24,811	20,073
Tax expense	6,163	5,261	7,245	5,616
Profit for the year	11,902	10,663	17,566	14,457
Other Comprehensive Income (net of tax)	(2)	(16)	340	(45)
Total Comprehensive Income	11,900	10,647	17,906	14,412
Attributable to:				
Shareholders of the Company	11,900	10,647	17,782	14,424
Non-Controlling Interest	-	-	124	(12)
Surplus in Statement of Profit & Loss	46,297	35,938	47,788	33,652
Amount Available For Appropriation	58,197	46,585	65,570	48,076
Payment of Dividends (Including tax on dividend)	793	288	793	288
Adjustment to Other Reserves	-	-	(268)	-
Balance carried to Balance Sheet	57,404	46,297	64,509	47,788

2. DIVIDEND:

Your Directors have recommended a Final Dividend of ₹ 0.35 (i.e. 35%) per equity share for the financial year ended 31st March, 2018 subject to approval of members in the ensuing Annual General Meeting. During the year under review, Interim Dividend of ₹ 0.25 per equity share was declared and paid. The final dividend and interim dividend will absorb ₹ 719 Lacs during the year under review compared to ₹ 598 Lacs absorbed in the previous year.

3. CONSOLIDATED FINANCIAL AND OPERATIONAL REVIEW:

- Consolidated Net Sales has increased by 11% from ₹ 1,89,467 Lacs to ₹ 2,10,601 Lacs.
- Consolidated EBITDA has increased by 21% from ₹ 27,293 Lacs to ₹ 32,948 Lacs.
- Consolidated Profit Before tax has increased by 24% from ₹ 20,073 Lacs to ₹ 24,811 Lacs.
- Consolidated Total Comprehensive Income has increased by 24% from ₹ 14,412 Lacs to ₹ 17,906 Lacs.

4. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW:

- During the year under review, your Company has increased its installed capacity by 10% from 1,37,708 MT to 1,52,101 MT. Your Company has utilised its capacity to the tune of 1,05,753 MT. as against last year's figure of 87,694 MT. which shows a utilization growth of 21%.
- During the year under review, your Company has incurred capital expenditure to the tune of ₹ 408 Lacs towards the purchase of land and ₹ 8,286 Lacs towards plant & machineries, factory building and other capital expenditure.
- Your Company has completed construction of factory at Ghiloth (Rajasthan) and has started trial production in May, 2018. Commercial production is expected to be started in July 2018. Installed capacity of the plant is proposed to be about 22,700 M.T. Further, construction work for expansion at Hosur (Tamilnadu) plant is on completion stage and production is expected to be commenced from the month of September 2018.