



DECCAN
POLYPACKS
LIMITED

CIN : L24134TG1984PLC005215

NOTICE:

Notice is hereby given that the 33rd Annual General Meeting of Deccan Polypacks Limited will be held on Friday the 29th day of September, 2017 at 11.00 AM at the Registered Office of the Company situated at Sy. No: 142A, IDA Bollaram, (Via) Miyapur, Narsapur Taluk, Jinnaram Mandal, Sangareddy District, Telangana to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2017, Audited Balance Sheet and the Cash Flow Statement as at that date and the Reports of the Director's and Auditor's thereon.
2. To appoint a Director in the place of Sri D V Prudvi Raju (Holding DIN No. 03024648) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, including statutory modifications thereto or re-enactments thereof for the time being in force, and pursuant to the recommendations of the Audit Committee of the Board of Directors M/s. K.P. RAO & Co., Chartered Accountants, Hyderabad, having Firm Registration No. 003135S allotted by the Institute of Chartered Accountants of India, be and are hereby appointed as Statutory Auditors of the Company in place of of M/s. M. Bhaskar Rao & CO., Chartered Accountants, Hyderabad, who vacated the office pursuant to Proviso to Section 139 of the Companies Act, 2013, to hold office, from the conclusion of this Annual General Meeting for Five Consecutive years, subject to ratification at every annual general meeting on such remuneration, as may be fixed in this behalf by the Board of Directors of the Company.

"RESOLVED FURTHER THAT the directors of the company jointly and severally be and are hereby

authorised to do all such acts, matters and things as may be necessary to give effect to the above resolution and to certify and upload the e-forms.

On behalf of the Board.
for **DECCAN POLYPACKS LIMITED**

Place : Hyderabad
Date: 30.05.2017

D V. Prudvi Raju
Whole Time Director

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxy, in order to be effective must be deposited at the Company's Registered Office at Sy. No. : 142A, IDA Bollaram, (Via) Miyapur, Jinnaram Mandal, Narsapur Tq., Sangareddy Dist. Telangana not less than 48 hours before the time for holding the meeting.
3. The members are requested to please forward all the correspondence relating to transfers, change of address, requests for dematerialization of shares and all matters pertaining to shares to the Registrars and Transfer Agents M/s. Karvy Computershare Private Limited, Karvy Selenium Tower, Plot No. : 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana.
4. The Register of members and share transfer books of the Company will remain closed from **23.09.2017** to **29.09.2017** (both days inclusive)
5. The explanatory statement for special business mentioned in the notice is annexed as per the provisions of Section 102(1) of the Companies Act, 2013.
6. Pursuant to Section 108 of the Companies Act, 2013 read with 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 33rd Annual General Meeting, "AGM" by electronic means and the business may be transacted through e-voting services provided by Karvy Computershare Pvt Ltd , "KARVY">

It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://evoting.karvy.com> during the following voting period.

Commencement of e-voting : from 10.00 AM IST on 26.09.2017 to 5.00 PM IST on 28.09.2017

7. E-Voting shall not be allowed beyond 5.00 PM on 28.09.2017. During the e-Voting period, shareholders of the Company, holding shares in physical form or in dematerialized form as on 22.09.2017 may cast their vote electronically.
8. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their email IDs with the Company / respective depository participants along with physical copy of the Notice. Those members who have registered their email IDs with Company / their respective Depository participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
9. The Company has appointed Mr V B S Prasad, Practicing Company Secretary (FCS No : 4605), as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
10. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unlock the votes in the presence of atleast two witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman / Whole Time Director of the Company.

On behalf of the Board.
for **DECCAN POLYPACKS LIMITED**

Place : Hyderabad
Date:30.05.2017

D V. Prudvi Raju
Whole Time Director

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 33rd Annual Report together with the Audited Accounts and Cash Flow Statements for the year ended 31st March 2017.

The financial results for the year ended 31st March 2017 are summarized below.

Particulars	(Rs. in Lakhs)	
	2016-17	2015-16
Income from operations	11.66	71.02
Gross Profit	(28.48)	(125.47)
Interest	56.05	98.29
Depreciation	15.49	18.16
Profit/(Loss) before taxation	(100.02)	(241.92)
Deferred Tax (Liability)/Asset	-	-
Current tax	-	-
Net Profit/(Loss) After Taxation	(100.02)	(241.92)
Balance brought forward	(1776.01)	(1534.09)
Balance carried to		
Balance Sheet	(1876.04)	(1776.01)

1. Operations

The Production continued to be suspended during the year under report. The sales reported have been done through existing stocks of finished goods. The Company has incurred net loss of Rs. 100.02 Lakhs in comparison with net loss of Rs. 241.92 Lakhs in the previous year.

2. Erosion of Network :

The Company submitted report to BIFR regarding erosion of network as on 31.03.2016 in February 2016. In terms of provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA).

3. Future Outlook

The Company is exploring options for revival including sale of the undertaking. The update status will be informed to the shareholders.

4. Meetings of the Board of Directors:

During the year ended March 31st 2017, Four Board Meetings were held. The dates on which the Board Meetings were held are 30.05.2016, 10.08.2016, 14.11.2016 and 14.02.2017.

5. Statement on Declaration given by Independent Directors under Section 149(6)

The Independent Directors have submitted declaration of independence as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6)

6. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of the following directors namely Kum R Rama Devi and Sri N V S Rao.

Brief description of terms of reference :

- Carry on the evaluation of every director's performance.
- Formulation of criteria for determining qualification, positive attributes and independence of a Director.
- Recommend policy to the Board relating to remuneration of the directors, key managerial personnel and other employees.
- Devising a policy on board diversity
- Any other matter as the board may decide from time to time.

Nomination and Remuneration Policy :

The objective of the policy :

- Lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors and persons who may be appointed as key managerial persons and to senior management positions.
- To provide reward directly linked to their effort, performance, dedication and achievement relating to company's operations.
- To retain, motivate, promote talent to ensure long term sustainability of talented managerial persons and create competitive advantage.
- Determine remuneration based on company's size and financial positions and trends and practices.

7. Particulars of Loans, Guarantees and Investments under Section 186

The Company has not given any loan, or guarantee,

or provided any security in connection with a loan to any other body corporate or person during the financial year.

8. Particulars of contracts or arrangements with related parties referred to in Section 188(1) :

The particulars of contracts or arrangements with related parties referred to Sec 188(1) is prepared in Form NO. AOC-2 pursuant to Sec 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is enclosed as **Annexure – 2** to this report.

9. Extract of Annual Return :

The extract of Annual Return is prepared in Form MGT-9 as per the provisions of Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure -3** to this report.

10. Corporate Governance

The Company has implemented the Corporate Governance Code during the year under report. A detailed report is enclosed and form part of this Annual Report.

11. Directors Responsibility Statement

The Board of Directors of the Company hereby declares and states that :

- a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have 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 31.03.2017 and of the loss of the Company for the period ended 31.03.2017.
- c) the Directors have 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) the Directors have prepared the annual accounts on a going concern basis.
- e) 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) 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.

12. Energy, Technology and Foreign Exchange

Additional information on conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed in terms of section 134(M) read with Companies (Accounts) Rules 2014) is as per Annexure-1 hereto and forms part of this report.

13. Risk Management Committee :

Risk Management Committee consists of the following Directors :

a) **Sri D R S P Raju**

b) **Sri D V Prudvi Raju**

Risk Management Policy :

The Company has taken steps to mitigate the following risks

Raw Material Price :

Ours is a high volume manufacturing industry wherein the main raw material is PP/HDPE granules which are available indigenously and by imports. The raw materials are subject to frequent changes as their prices depend on petroleum products. The prices are closely monitored and depending on the requirement the stocks are maintained.

Competition and price pressure :

Our being a packing industry there are many players and there is severe competition and price cutting indulged by competitors. Action of one player is followed by other to either increase market share or offer low price to retain the volumes.

Foreign Currency Risks :

The Company's exposure to foreign currency is low. Majority purchase of raw materials through domestic market. The export volumes are low. The impact of foreign exchange fluctuation is almost negligible considering the volume of transactions in foreign currency.

14. Statutory Auditors

The Company, in terms of Section 139(1) and (2) of the Act 2013, is required to appoint statutory auditors for a term of five consecutive years i.e., from the conclusion

of the 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting and ratify their appointment, during the period, in every annual general meeting by an ordinary resolution.

The period for which any firm has held office as auditor prior to the commencement of the Act 2013 will be taken into account for calculating the period of five consecutive years, as per the fourth provision to section 139(2) of the Act 2013 read with Rule 6(3) of the Companies (Audit and Auditors) Rules, 2014.

The Company has obtained necessary certificate under Section 141 of the Act 2013 from the auditor conveying their eligibility for the above appointment. The audit committee and board reviewed their eligibility criteria, as laid down under Section 141 of the Act 2013 and recommended their appointment as auditors for the aforesaid period.

15. Board of Directors

Sri D V Prudvi Raju, Director is liable to retire by rotation at this Annual General Meeting and being eligible, offers him for re-appointment.

16. Directors and Key Management Personnel who were appointed or have resigned during the year

During the year Sri G V S Raju, Director of the Company resigned from the Directorship w.e.f. 01.12.2016

17. Secretarial Audit Report

Copy of the Secretarial Audit Report issued by Sri VBSS Prasad, Practicing Company Secretary (CP No: 4605) for the year under report in Form MR-3 is attached as **Annexure-4** to this report. There are no qualifications in the Secretarial Audit Report.

18. Particulars of appointment and remuneration of Managerial Personnel :

The statement of particulars of Appointment and Remuneration of Managerial Personnel in terms of Rules 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure 5 to this report.

19. Insurance :

All properties and insurable interests of the Company

including building, plant and machinery and stocks have been fully insured.

20. Change in nature of Business :

There is no change in the Companies nature of business during the financial year ending 31.03.2017.

21. Internal Control System and their adequacy :

Considering the size of business and nature of operations and internal control systems and procedure adopted and reviewed periodically by the Board and Audit Committee the existing control Systems are adequate.

22. Significant and Material orders passed by Regulators :

No such orders have been received during the year under report.

Material changes and commitments :-

There are no material changes and commitments in the business operations of the Company during the year under report except that the production continues to remain suspended since 15th July 2014.

23. Policy on Sexual Harassment:

The Company has no women employee in the employment of the Company. The Company is in the process of framing and formulating policy on sexual harassment at workplace in accordance with Sexual Harassment of Women at workplace (Prevention prohibition and Redressal) Act, 2013. During the year under report the Company has not received any complaints pertaining to Sexual Harassment.

24. Acknowledgements:

The board has expressed its gratitude to the State Bank of Hyderabad, various departments of State and Central Government, customers, vendors and shareholders for their valuable support to the company, staff and employees

On behalf of the Board.
for **DECCAN POLYPACKS LIMITED**

Place : Hyderabad
Date:30.05.2017

D V. Prudvi Raju
Whole Time Director

CORPORATE GOVERNANCE REPORT

I. The Corporate Governance Code

The Company is implementing the Corporate Governance Code as per the guidelines issued by the Stock Exchange. The Company has consistently practiced good corporate governance. The Company creates an environment for the efficient conduct of the business and to enable management to meet its obligations to all its stakeholders, including amongst others, customers, employees and the community in which the Company operates.

II. Board of Directors ("Board")

The Board comprises of (Five) Directors of whom two are executive, and three are non-executive directors. Out of the three non-executive directors two are Independent Directors and one is non-executive and promoter and the Chairman of the Board is a Non-Executive

a) Composition of the Board

Name of the Director	Status
Sri D R S P Raju	Non Executive & Promoter
Sri G V S Raju	Director (Commercial) & Executive - up to 01-12-2016
Sri D V Prudvi Raju	Whole Time Director & Executive
Sri N V S Rao	Independent
Kum. R Rama Devi	Independent Woman

b) Board Meetings :

The meetings of the Board of Directors are held at the City Office / Registered Office of the Company at Hyderabad / Bollaram (factory site) and agenda for which is circulated at least 7 days in advance. Senior Management of the Company is invited to attend the Board Meetings, to make presentations and provide clarifications as and when required. The Board meets atleast once a quarter to review the quarterly performance and financial results.

c) Number of Board Meetings

During the year from 1st April 2016 to 31st March 2017 the Board met Four times on the following dates.

Sl.No	Date	Board Strength	No. of Directors present
01	30.05.2016	5	4
02.	10.08.2016	5	4
03.	14.11.2016	5	4
04.	14.02.2017	4	3

d) Attendance of Directors

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendace at the last Annual General Meeting	No. of Directorships in other Board as on 31.03.2017	No. of memberships in other Board Committees as on 31.03.2017
Sri D R S P Raju	4	4	Yes	5	Nil
Sri G V S Raju	3	3	Yes	1	Nil
Sri D V Prudvi Raju	4	4	Yes	1	Nil
R. Rama Devi	4	4	Yes	2	Nil
Sri NVS Rao	4	-	No.	Nil	Nil

III. Committees of Directors :

The Board has constituted Committees which comply with the requirements of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

a: Audit Committee

i) The committee comprises of the following non-executive members of the Board.

1. Kum R Rama Devi	Chairman
2. Sri D R S P Raju	Member
3. Sri D V Prudvi Raju	Member
4. Sri N V S Rao	Member

During the year 1st April 2016 to 31st March 2017 the committee had four meetings.

Sl. No	Date
1	30.05.2016
2	10.08.2016
3	14.11.2016
4	14.02.2017

ii) Attendance of the Directors in the Audit Committee Meeting :

Name of the Director	No. of Meetings held	No. of meetings attended
Kum R Rama Devi	4	4
Sri D V Prudvi Raju	4	4
Sri D R S P Raju	4	4
Sri N V S Rao	4	-

iii) Terms of reference:

The Audit Committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The terms of reference of the Audit Committee also include the following :

- 1) Overseeing of the company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other service.
- 3) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - a) Any changes in accounting policies and practices
 - b) Major accounting entries based on exercise of judgment to management.
 - c) Qualifications in draft audit report
 - d) Significant adjustments arising out of audit
 - e) The going concern assumption
 - f) Compliance with accounting standards
 - g) Compliance with stock exchanges and legal requirement concerning financial statements.
 - h) Any related party transactions.

- 4) Reviewing with the management, external and internal auditors, the adequacy of internal control system.
- 5) Reviewing the adequacy of internal audit function, Structure, coverage and frequency of internal audit.
- 6) Discussion with internal auditors on significant findings and follow up thereon.
- 7) 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.
- 8) Discussion with external auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- 9) Reviewing the company's financial and risk management Policies
- 10) To look into the reasons for substantial defaults in the payment to the depositors, debenture holder, shareholders (in case of non-payment of declared dividends) and creditors.
- 11) Such other matters as may be entrusted to the committee from the time to time.

b) Share Transfer Committee

The Committee comprises of the following members of the Board.

Sri D R S P Raju	Chairman
Sri D V Prudvi Raju	Member

Terms of Reference :

The Share Transfer Committee ratifies transfer of shares, deals with split and consolidation of shares, issue of duplicate shares etc.

Attendance of Directors in the Share Transfer Committee Meetings :

The Share Transfer Committee met 3 (Three) times during the year ended 31st March, 2017

The attendance for the meetings are as stated below :

Name of the Director	No. of meetings held	No. of meetings attended
Sri D R S P Raju	3	3
Sri D V Prudvi Raju	3	3

Number of shares pending for transfer : Nil

c) Shareholders Grievances Committee :

The committee comprises of following members Sri D R S P Raju and Sri D V PrudviRaju. The terms of reference to the committee to look into investor complaints such as non-receipt of Balance Sheet, transfer of shares, non-receipt of declared dividend etc.

Details of Investors letters / Complaints received during the year ended 31st March, 2017.

S.No.	Nature of Letter / Complaints	Received	Disposed	Pending
1.	Non-receipt of share certificates after transfer / exchange / sub-dividend / consolidated /duplicate transfer and transmission	---	----	---
2.	Miscellaneous and others change of address, old share certificates and mandate etc.	---	----	---

All the complaints / letters received during the financial year were replied / resolved to the satisfaction of the shareholders and there are no complaints pending as on 31st March, 2017

d) Nomination and Remuneration Committee:

- a) Kum R Rama Devi - Chairman
b) Sri N V S Rao - Member

During the year 1st April 2016 to 31st March 2017, one meeting of the Committee was held.

Terms of Reference:

To fix the remuneration payable to Key Managerial Personnel evaluate the performance of Director, determine educational qualification and such other matters as may be entrusted from time to time.

e) Risk Management Committee :-

The Committee was constituted at the Board Meeting of the Company held on 30.03.2015 with the following members

- a) Sri D R S P Raju
b) Sri D V Prudvi Raju

Terms of Reference

The committee is evaluate and advise on various types of risks the business is exposed and the measures to mitigate the risks.

f) Non-Executive Directors:

Name	Sitting Fee (Rs.)	No. of Shares
Sri D R S P Raju	10,000.00	138638
Kum. R Rama Devi	11,250.00	Nil
Sri N V S Rao	Nil	Nil

No remuneration is paid to the non-executive Directors except sitting fees.

IV. Subsidiary Company

There is no Subsidiary Company.

V. Code of Conduct

- a) The Company has evolved a code of conduct for the Directors and Senior Management Personnel of the company which has been affirmed for adherence.
b) Steps have been taken to post the same on the Company website.

General Body Meetings :

- a) The last three Annual General Meetings of the company were held as under :

FINANCIAL YEAR	Date	Time	Place
2013-2014	26.09.2014	11.00 AM	Registered Office : Sy No : 142A, IDA Bollaram (Village Road) , Via Miyapur, Jinnaram Mandal, Sangareddy Dist. Telangana
2014-2015	29.12.2015	11.00 AM	Registered Office : Sy No : 142A, IDA Bollaram (Village Road) Via Miyapur, Jinnaram Mandal, Sangareddy Dist. Telangana
2015-2016	29.09.2016	11.00AM	Registered Office : Sy No : 142A, IDA Bollaram (Village Road) Via Miyapur, Jinnaram Mandal, Sangareddy Dist. Telangana

- b) All the resolutions as set out in the respective notices were passed by the shareholders. No special resolutions were passed through postal ballot.

Disclosures:

The pecuniary disclosure with regard to interested Directors.

- a) Disclosures on materially significant related party transactions of the Company of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company.

- b) Details of non-compliance by the company, penalties, structures imposed on the company by the stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years. There were no instances of non-compliance of any matter related to capital market during the last three years.

c) Whistle Blower Policy

The company has made known to all its employees about the policy. It is affirmed that no personnel has been denied access to the Audit Committee.

- d) The Whole Time Director has given a certificate to the Board as per Clause 49 of the Listing Agreement.
- e) Compliance of Non-Mandatory Clause
- Constituted a Remuneration Committee.
 - Board has noted the other non-mandatory requirements and is taking steps for its implementation.

Means of Communications

- a) Quarterly / half yearly financial results of the company is forwarded to Bombay Stock Exchange, Mumbai and published in Business Line and Andhra Prabha. Half Yearly report is not sent to each household of shareholders as the results are published in the newspapers.
- b) The results or official news were not displayed in any website.
- c) Company has not made any presentations to any institutional investors / analysts during the year.
- d) All terms required to be covered in the Management Discussions & Analysis have been included in the Directors Report to the members.
- e) Company e-mail id : deccanpoly@gmail.com