

NOTICE:

Notice is hereby given that the 34th Annual General Meeting of Deccan Polypacks Limited will be held on Friday the 28th day of September, 2018 at 11.00 AM at Hotel Aishwarya Grand, 2nd Floor, 208, Plot No. 4, Phase-1, Opp. Sub-Station, Shapur Nagar, IDA Jeedimetla, Hyderabad - 55, Telangana State 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, 2018, 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 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 ratify the appointment of auditors of the Company to hold office until the conclusion of the Annual General Meeting for Financial Year 2018-2019 and the payment of remuneration as fixed by the board of directors and 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 139 of the Companies Act, 2013 and the rules made there under, 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, the appointment of M/s. K P Rao & Co., Chartered Accountants, Hyderabad (Firms Registration Number 003135S) which was made in the AGM 2017 for Five Consecutive Audit years ending on the conclusion of AGM for FY 2021-22 be and is hereby ratified and confirmed for the remaining audit period on such remuneration as fixed by the board of directors”

‘RESOLVED FURTHER THAT the directors of the Company jointly and severally be and is hereby authorized 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.

SPECIAL BUSINESS :**Shifting of Registered Office**

4. To consider and if thought fit, to pass with or without modification, the following resolution as special resolution

RESOLVED THAT pursuant to the provisions of section 12 of the Companies Act, 2013 and any other provisions applicable, if any, the Registered office of the Company be and is hereby shifted from Sy. No. 142A, IDA Bollaram (via) Miyapur, Jinnaram Mandal, Sangareddy Dist - 502 325 with effect from 19.07.2018 to a premise Plot No. A-40, Road No. 7, IDA Kukatpally, Hyderabad-500 037 taken on lease as per agreement, which falls within the State of Telangana but outside the local limits of the City of the registered office.

5. To consider and if thought fit, to pass with or without modification, the following resolution as special resolution

“RESOLVED THAT pursuant to the provisions of sections 196,197,203 and all other applicable provisions of the Companies Act 2013 (including any statutory modifications or enactment thereof for the time being in force) and subject to the approval of the shareholders and limits specified in Schedule V of the Act,2013, consent be and is hereby accorded to the re-appointment of Sri D V Prudvi Raju (Holding DIN No : 0302468) as Whole Time Director for a period of Three Years with effect from 09.02.2018 and payment of remuneration on the following terms and conditions.

- I. Salary Rs 50,000/- per month in the grade Rs 50,000-3,000-56,000

II. Perquisite and allowances:**I. Housing**

- a) The expenditure incurred by the Company on hiring accommodation for the Whole Time Director shall be subject to a ceiling of 60% salary over and above 10% payable by the Whole Time Director himself.
- b) Where accommodation is provided in a Company owned house, the Whole Time Director shall pay to the Company by way of rent 10% of the salary.

c) Where the Company does not provide accommodation to the Whole Time Director House Rent Allowance may be paid by the Company in accordance with (a) above.

d) The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income-Tax Rules, 1962. This will however, be subject to a ceiling of 10% of salary of the Whole Time Director.

II. Medical Reimbursement

Expenses incurred for self and family subject to a ceiling of one month's salary per year.

III. Leave Travel Concession

For self and family once in year in accordance with rules specified by the Company.

IV Club Fees

Fees of Clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

V. Personal Accident Insurance

For an amount the annual premium of which does not exceed Rs 2,000

OTHER PERQUISITES

I. Company's contribution towards Provident Fund as per the rules of the Company.

II. Company's contribution towards Pension/ Superannuation Fund as per the rules of the Company. Such contribution together with the contribution to the Provident Fund shall not exceed limits prescribed in the Income-Tax Act, 1961.

III. Gratuity payable in accordance with an approved scheme and shall not exceed one half month's salary for each completed year of service.

Contribution to Provident Fund and Superannuation Fund to the extent they are exempted under the Income-Tax Act, 1961 and encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites, Provision of car for use on Companies business and telephone at residence will not be considered as perquisites. All long distance

personal calls shall be duly lodged and paid for by the Whole Time Director

Earned / Privilege Leave-on full pay and allowances as per rules of the Company. "Leave accumulated but not availed of during his tenure may be allowed to be encashed as per the rules of the Company:.

"FURTHER RESOLVED THAT in the event of any loss or in adequacy of profits in any wherein a financial year during his tenure, the Company shall pay Sri D V Prudvi Raju, the remuneration by way of salary, perquisites or any other allowance as specified above and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time in this regard, as minimum remuneration".

FURTHER RESOVLED THAT the Board be and is hereby authorized to do all such acts, deeds matters and things as may be considered necessary, appropriate and desirable to give effect to this resolution.

On behalf of the Board
For DECCAN POLYPACKS LIMITED

Place: Hyderabad
Date: 30.05.2018

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 Pvt Ltd,
Karvy Selenium Tower, Plot No: 31-Gachibowoli
Financial District, Nanakramguda, Hyderabad – 500
032, Telangana

4. The Register of members and share transfer books of the Company will remain closed from 22.09.2018 to 28.09.2018 (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 34th 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 25.09.2018 to 5.00 PM IST on 27.09.2018

7. E-Voting shall not be allowed beyond 5.00 PM on 27.09.2018. During the e-Voting period, shareholders of the Company, holding shares in physical form or in dematerialized form as on 31.08.2018 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 the 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 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 at least 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:30.05.2018

D V. Prudvi Raju
Whole Time Director

ANNEXURE:**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special business****Shifting of Registered Office :**

As per provisions of Section 12(5) of the Companies Act, 2013, shifting of registered office of a company outside the local limits of any city or town requires approval of shareholders by way of special resolution.

With a view to improve co-ordination and communication between the corporate, marketing and site offices, the Board of directors considered that subject to approval of shareholders, the proposal for shifting the registered office to Plot No. A-40, Road No. 7, IDA Kukatpally, Hyderabad - 37, taken on lease as per the lease agreement, placed before the Board. The proposal location is outside the local limits of Bollaram and therefore requires approval of shareholders by way of special resolution. If approval, the registered office will be moved to Plot No. A-40, Road No. 7, IDA Kukatpally, Hyderabad -37, with effect from 19.07.2018.

The Directors recommend the approval of the special resolution.

None of the Directors is concerned or interested in the resolution.

Re-appointment of Shri DV Prudvi Raju as Whole Time Director :

The existing term of Sri D V Prudvi Raju, as Whole Time Director expires on 08.02.2018. The Board of Directors at their meeting held on 30.05.2018 have re-appointed Sri D V Prudvi Raju as Whole Time Director for the period of Three Years with effect from 09.02.2018, subject to the approval of the shareholders. The Directors Nomination and Remuneration Committee at its meeting held on 30.05.2018 has passed resolution recommending the appointment and payment of remuneration to Sri D V Prudvi Raju, as Whole Time Director as per the terms mentioned in the notice subject to the approval of the Shareholders. Your Directors are of the view that the re-appointment of Sri D V Prudvi Raju, Whole Time Director will be in the interest of the Company and its members and accordingly commend the resolution for your approval. Sri D V Prudvi Raju holds 134898 equity shares. Sri D R S P Raju being relative of Sri D V Prudvi Raju is interested in this resolution. No other Director / Key Management personnel / their relatives are interested in this resolution. The explanation together with the accompanying notice may be treated as on abstract under section 190 of the Companies Act, 2013.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 34th Annual Report together with the Audited Accounts and Cash Flow Statements for the year ended 31st March 2018.

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

Particulars	(Rs. in Lakhs)	
	2017-18	2016-17
Income from operations	-	11.66
Gross Profit	78.25	(28.48)
Interest	47.79	56.05
Depreciation	10.11	15.49
Profit/(Loss) before taxation	20.52	(100.02)
Deferred Tax(Liability)/Asset	-	-
Current tax	-	-
Net Profit/(Loss)After Taxation	20.52	(100.02)
Balance brought forward	(1861.40)	(1776.01)
Balance carried to		
Balance Sheet	(1841.05)	(1876.04)

1. Operations

The Production continued to be suspended during the year under report. The Company has earned net profit of Rs. 20.52 Lakhs in comparison with net loss of Rs (100.02) Lakhs in the previous year.

2. Erosion of Networth :

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

3. Issues after the Financial year:

The Company sold out its Factory, Land and Buildings to M/s. SVRS Polymers as approved by the shareholders vide Postal ballot resolution passed on 07/05/2018.

4. Disclouser as per Listing Agreement:

Regulation 14 of SEBI(LODR) Regulations, 2015:

The Company's shares are listed on the Bombay Stock Exchange Ltd., P J Towers, Dalal Street, Fort, Mumbai. It is further informed that the listing fees for the years 2015-16,2016-17,2017-18 and 2018-19 has not been paid to the exchange due to shortage of funds and stoppage of operations.

5. Meetings of the Board of Directors

During the year ended March 31st 2018, Six Board Meetings were held. The dates on which the Board Meetings were held are 30.05.2017, 14.08.2017, 29.09.2017 14.12.2017, 14.02.2018 and 12.03.2018.

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

The Independent Directors have submitted declaration of indenpendance 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).

7. 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 substantially of talented managerial persons

and create competitive advantage.

- d) Determine remuneration based on company's size and financial positions and trends and practices.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 31.03.2018 and a profit of the Company for the period ended 31.03.2018.
- 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.

13. 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.

14. 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.

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.

15. Statutory Auditors

At the Annual General Meeting held on 29th September, 2017 M/s. K.P. RAO & Co., Chartered Accountants, were appointed as statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022

Auditors Report:

There are no qualifications, reservations or adverse remarks made by M/s K.P. RAO & Co., chartered Accountants, Hyderabad Chartered Accountants (ICAI Reg. No.003135S) Statutory Auditors in their report for the Financial Year ended March 31st 2018.

16. 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.

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 Rule 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 31.03.2018.

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 Harrasment:

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. Acknowledements:

The board has expressed its gratitude to the State Bank of India, 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:30.05.2018

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 (Four) Directors of whom one is 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. Sri DRSP Raju ceased to be a Director with effect from 14.09.2017.

a) Composition of the Board

Name of the Director	Status
Sri D R S P Raju	Non Executive & Promoter
Sri D V Prudvi Raju	Whole Time Director & Executive
Sri N V S Rao	Independent
Kum. R Rama Devi	Independent Women

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 2017 to 31st March 2018 the Board met Six times on the following dates.

Sl.No	Date	Board Strength	No. of Directors present
01	30.05.2017	4	3
02.	14.08.2017	4	3
03.	29.09.2017	3	2
04.	14.12.2017	3	2
05.	14.02.2018	3	2
06.	12.03.2018	3	2

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 31.03.2018	No. of memberships in other Board Committees as on 31.03.2018
Sri D R S P Raju	6	2	NO	4	Nil
Sri D V Prudvi Raju	6	6	Yes	1	Nil
Sri NVS Rao	6	-	No	Nil	Nil
Kum R. Rama Devi	6	6	Yes	2	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 V Prudvi Raju	Member
3. Sri D R S P Raju	Member
4. Sri N V S Rao	Member

During the year 1st April 2017 to 31st March 2018 the committee had four meetings.

Sl. No	Date
1	30.05.2017
2	14.08.2017
3	14.12.2017
4	14.02.2018

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

Name of the Director	No. of Meetings held	No. of meetings attended
Sri D R S P Raju	4	2
Sri D V Prudvi Raju	4	4
Sri N V S Rao	4	-
Kum R Rama Devi	4	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 V Prudvi Raju	Chairman
Sri D R S P 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 1 (One) times during the year ended 31st March, 2018

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	1	1
Sri D V Prudvi Raju	1	1

Number of shares pending for transfer : Nil

c) Shareholders Grievances Committee :

The committee comprises of following members Sri D V Prudvi Raju and D R S P Raju. 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, 2018.