



DUTRON POLYMERS LIMITED

A large, light blue, coiled pipe or hose, secured with white straps, forms a large loop in the background of the page.

Spreading Joy
Enhancing Lives

**38th
Annual Report
2018-19**

| | | | |
|--|---|--|----------------|
| Board of Directors | : | Sudip B. Patel Chairman | DIN : 00226676 |
| | | Rasesh H. Patel Managing Director | DIN : 00226388 |
| | | Alpesh B. Patel Whole Time Director | DIN : 00226723 |
| | | Mitesh C. Shah Independent Director | DIN : 06641167 |
| | | Kapilaben H. Patel Woman Director | DIN : 07150359 |
| | | Rajendra Desai Independent Director (From 10th August, 2018) | DIN : 08197675 |
| | | | |
| Auditors | : | Manthan M. Shah & Associates Chartered Accountants B-414, Maradia Plaza, Nr. Associated Petrol Pump, C. G. Road, Ahmedabad - 380 006 | |
| Bankers | : | Corporation Bank Opp. Navrangpura Bus Stop, Navrangpura, Ahmedabad - 380 009 | |
| | | The Ahmedabad Mercantile Co-operative Bank Ltd. (Scheduled Bank) Amco House, Stadium Road, Navrangpura, Ahmedabad - 380 009 | |
| | | HDFC Bank Ltd. Mithakhali Branch, Navrangpura Ahmedabad - 380 009 | |
| | | | |
| Registered Office | : | "Dutron House", Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad - 380 009 E-mail : Investor@ductronindia.com | |
| CIN | : | L25209GJ1981PLC004786 | |
| Factory | : | Block No. 642, At & P.O. Hariyala, N. H. 8, Ta. Kheda, Dist. Kheda - 387 411, Gujarat | |
| Registrars & Share Transfer Agent | : | Cameo Corporate Services. Ltd. Subramanian Building, No. 1, Club House Road, Chennai - 600 002 E-mail : Cameo@cameoindia.com | |

NOTICE

Notice is given that the 38th ANNUAL GENERAL MEETING of the members of DUTRON POLYMERS LIMITED will be held on Wednesday, 11th September, 2019 at 11:30 a.m. at The Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad – 380 009 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2019, the Profit and Loss statement and Cash Flow statement along with notes for the year ended on that date together with Director's Report and Auditor's Report thereon and in this regard, pass the following resolution as Ordinary resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended 31st March, 2019, and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted”.

2. To declare dividend on equity shares for the financial year ended 31st March, 2019, and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT a dividend at the rate of ₹1.4 (Rupee One and Forty Paise only) per equity share of ₹ 10 (Rupees Ten) each fully paid-up of the Company be and is hereby declared for the financial year ended 31st March, 2019, and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31st March, 2019.”

3. To appoint a director in the place of Smt. Kapilaben H Patel (DIN: 07150359), who retires by rotation and being eligible, offers herself for reappointment. In this regard, pass the following resolution:

“RESOLVED THAT under the provisions of Section 152 of the Companies Act, 2013, Smt. Kapilaben H. Patel (DIN: 07150359), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

4. To appoint a director in place of Shri Alpesh B Patel (DIN: 00226723), who retires by rotation and being eligible, offers himself for reappointment. In this regard, pass the following resolution:

“RESOLVED THAT under the provisions of Section 152 of the Companies Act, 2013, Shri. Alpesh B Patel (DIN: 00226723), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS :

5. To reappoint Shri Rasesh H Patel (DIN: 00226388) as Managing Director and pass the following resolution as Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being enforce) and Articles of Association of the Company and subject to approval of Shareholders in the General Meeting, Shri Rasesh H. Patel (DIN: 00226388), Managing Director of the Company be and is hereby re-appointed as Managing Director of the Company with effect from 01st April, 2019 as per terms and conditions as mentioned in the agreement to be entered with him.”

“FURTHER RESOLVED THAT Shri Sudip B. Patel (DIN: 002226676), Shri Alpesh B. Patel (DIN: 00226723), Shri Mitesh C. Shah (DIN: 06641167), Smt. Kapilaben H. Patel (DIN: 07150359) and Shri Rajendra Desai (DIN: 08197675), Directors of the Company either jointly or severally be and are hereby authorised to do all such acts, deeds things etc. as may be required to comply with all formalities etc. as may be required to comply with all formalities in this regards.”

6. To pass the following resolutions as Ordinary resolution either with or without modifications:

“RESOLVED THAT Subject to the provisions of Section 197 of Companies Act, 2019 read with Schedule V thereof, as per the recommendations received from the remuneration and nomination committee, the company hereby authorize to the board of directors of the company are hereby authorize to pay the managerial remuneration upto ₹ 84 Lakh per annum to each of the managing personnel except the managing director, as decided by them from time to time after receiving the approval from the Nominations and remuneration committees.”

“FURTHER RESOLVED THAT in case of a period less than one year, the above limit shall be pro-rated.”

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The Above resolution shall remain in a force for a period of three years from the date of approval unless expressly rescinded by the members.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THAT A PROXY NEED NOT BE A MEMBER.

The instrument appointing the proxy, to be effective, should be duly signed and completed and must be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

2. Corporate Members intending to send their representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution along with specimen signature of the representative(s) authorised to attend and vote on their behalf at the Meeting. An appropriate Board Resolution must support proxies submitted on behalf of Corporate Members.
3. Members who have not encashed their dividend warrants for the financial year 2011-12 and onwards are requested to approach the Company for revalidation/obtaining duplicate warrants. Under the provisions of section 125 of the Companies Act, 2013; the amount of dividend remaining unclaimed for seven years shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Government.
4. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 11th September, 2018 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed at www.dutronindia.com/investors. The said details have also been uploaded on the website of the IEPF Authority, and the same can be accessed through the link: www.iepf.gov.in.
5. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. Given the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
6. A Statement under Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
7. The requirement for ratification of the appointment of the Auditors by members at the Annual General Meeting has been omitted by Section 40 of the Companies (Amendment) Act, 2017. Accordingly, the resolution for ratification of the Statutory Auditor of the company is not included in the notice.
8. The Equity Shares of the Company is listed at the Stock Exchange, Mumbai (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 (Company Code: 517437). The annual listing fee for the financial year 2019-20 has been paid to the Stock Exchange.
9. The Register of members and the Share Transfer Books of the Company will remain closed from 4th September, 2019 to 11th September, 2019 (both days inclusive).
10. Members of physical shares are requested to notify to the registrar any change in their address. Members are requested to register/update their email address with the Company/Depository Participants for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc. electronically.
11. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the Meeting to enable the management to keep the information ready.
12. All Members are requested to send a nomination for each member folio to the Company's Registrar.
13. The member representing more than one folio in same names (or same sequence of names in case of the joint name) are requested to approach the Company's Registrar for consolidation of their folios into a single folio for simplification.
14. At the Annual General Meeting, a member or his Proxy is requested to bring the copy of the Annual Report already circulated to the members.
15. Members/Proxies should bring the Attendance slip sent herewith duly filled in for attending the Meeting.

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16. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, Members holding shares in the dematerialised form are requested to submit the PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
17. Directors Shri Rasesh H Patel, Shri Alpesh B Patel, Shri Sudip B Patel and Smt. Kapilaben H Patel, are interested in resolution nos. 3 & 4 specified in the ordinary business.
18. In compliance with the provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, and clause 35B of the listing agreement with the stock exchange, the Company is providing its members with the option of voting by electronic means (e-voting). The members may cast their votes using an electronic voting system through remote e-voting services. Necessary Arrangement has been made by the company with Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.
19. The e-voting facility will include remote e-voting and the business set out in the Notice that will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are given below. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast a vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
20. The instructions and process for voting electronically (e-voting) by the members are as under :
 - i. The remote e-voting facility will be available during the following voting period :

| | |
|---------------------------------|---|
| Commencement of e-voting | From 9:00 a.m. on 8th September, 2019 |
| End of e-voting | Upto 5:00 p.m. on 10th September, 2019 |

During this period, the shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) i.e. 4th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. The shareholders should log on to the e-voting website **www.evotingindia.com**
- iii. Click on "Shareholders" tab to cast your votes.
- iv. 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. Members holding shares in Physical Form should enter their 8 digit Folio Number registered with the Company e.g. if your folio no. is 104, then enter 00000104.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form & Physical Form |
|---|---|
| PAN | Enter your ten digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant/RTA are requested to use the first 2 characters of their name in CAPITAL letters and the 8 digits of the sequence number which is printed at the top on address label of the annual report e.g. if your name is Mukesh Patel, and sequence number is 45, then enter MU00000045 in the PAN field. |
| Dividend Bank Details OR 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 the company records to log in. If both the details are not recorded with the depository or company, please enter the Folio Number in the Dividend Bank details field as mentioned in instruction (iv) c. |

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- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to enter their login password in the new password field mandatorily.
- 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 the utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN 190725014 for the relevant Dutron Polymers Limited to vote.
- xii. 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.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. 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.
- xviii. Shareholders can also use Mobile app - “m - Voting” for e-voting. Shareholders may log in to m - Voting using their e-voting credentials to vote for the company resolution(s).
- xix. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, the user would be able to link the account(s) for which they wish to vote.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com, and on approval of the accounts, they would be able to cast their vote.
 - 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.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

BY ORDER OF THE BOARD OF DIRECTORS

Place : **Ahmedabad**
Date : **1st August, 2019**

S. B. PATEL
Chairman

Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 5

The Board of Directors of the Company ("Board"), at its meeting held on March 27, 2019 has, subject to the approval of members, re-appointed Shri Rasesh H Patel (DIN: 00226388) as Managing Director, for a period of 5 (five) years from the expiry of his present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Shri Rasesh H Patel as Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri Rasesh H Patel are as under:

- Period of Contract: Five Years from April 1, 2019 to March 31, 2024
- Salary: ₹ 9,00,000 per annum i.e. ₹ 75,000 per month, effective from April 1, 2019. For period less than a year, limit shall be pro-rated.
- Perquisites: In addition to above salary, the managing director is entitled to following perquisites:
 - (a) Leave Travel Concession
Return package for self and family, in accordance with rules made by the company on this behalf, subject to changes from time to time.
 - (b) Medical Reimbursement
Reimbursement of medical expenses or free medical services at the cost of company, for self or family members, either in India or any hospital abroad, as per the policy of the company.
 - (c) Use of car, telephone, club facility and other facilities
The company may provide facility of car, telephone, club or any other facilities to the managing director of the company for its business or personal use, from time to time, as per the policy of company.

Provided that total managerial remuneration including above perquisites shall not exceed limit prescribed under Section I of Schedule V of Companies Act, 2013; as amended from time to time.

- Contribution to Provident Fund, Superannuation Fund or Annuity Fund:
The contribution to Provident Fund, Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on remuneration to the extent. These singly or put together are not taxable under the Income Tax Act, 1961 or any other enactment for taxation of income thereafter.
- Gratuity: Gratuity payable shall not exceed half month's salary for each year of completed service subject to a ceiling of ₹ 10,00,000 as per the Payment of Gratuity Act, 1972 or as amended from time to time.
- Leave Encashment: The Managing Directors shall be entitled to one month leave for every completed year of service. Leave not availed for will be allowed to be encashed, as per policy of the company.
- Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year, the remuneration to the Managing Director shall be as per the provisions contained in Para 2 of Section II of Part II of Schedule V of Companies Act, 2013.
- The Managing Director, so long as he functions as such shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Details of Shri Rasesh H Patel are provided in the Annexure-A to the Notice.

Shri Rasesh H. Patel is interested in the resolution set out at Item No. 5 of the Notice. Smt Kapilaben H Patel, Shri Alpesh B Patel and Shri Sudip B Patel, being related to Shri Rasesh H Patel may be deemed to be interested in the said resolution.

The other relatives of Shri Rasesh H Patel may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

The Board of Directors of the Company ("Board"), at its meeting held on 27th March, 2019, has, subject to the approval of members, recommended to increase the maximum remuneration payable to the managerial personnel to ₹ 84 Lakh per annum in respect of each of managerial personnel. The above recommendation has been approved by the Nomination and Remuneration committee as well. As per the Schedule V of Companies Act, 2013, the approval of shareholders is necessary by way of special resolution for changes in the remuneration of managing personnel.

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The Managerial personnel has invested their considerable time and efforts in the growth of the company. Therefore, it is required that they should be paid remunerations at market rates.

This is the maximum limit of remuneration payable by the company to its managerial personnel. The Annual remuneration payable shall be decided by the Board of Directors on recommendations of Nomination and Remuneration committee, from time to time.

Details required as per provisions of Schedule V are provided in the Annexure -B to the Notice.

Shri Alpesh B. Patel and Shri Sudip B. Patel, are interested in the resolution set out at Item No. 6 of the Notice. Smt Kapilaben H. Patel and Shri Rasesh H. Patel, being related to Shri Alpesh B. Patel and Shri Sudip B. Patel, may be deemed to be interested in the said resolution.

The other relatives of Shri Alpesh B. Patel and Shri Sudip B. Patel may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Place : **Ahmedabad**
Date : **1st August, 2019**

BY ORDER OF THE BOARD OF DIRECTORS

S. B. PATEL
Chairman

ANNEXURE - A TO NOTICE

Details of Directors Retiring by Rotation or Seeking Re-appointment at the Meeting

| Particulars | Shri Rasesh Patel | Shri Alpesh Patel | Smt. Kapilaben Patel |
|--|---|---|--------------------------------------|
| Age | 52 | 51 | 79 |
| Qualifications | MS in Electrical Engineering, MBA | BE in Plastic Engineering, MBA | Graduate |
| Expertise in Specific Functional Area | More than 25 years of corporate experience in Operations Management & General Administration | More than 25 years of corporate experience in Marketing, Finance & Strategy | More than 4 years, as woman director |
| Terms and Conditions for Re-appointment | As per the resolution at item no. 5 of the Notice convening this Meeting read with explanatory statement thereto, Shri Rasesh Patel is proposed to be re-appointed as Managing Director | Liable to Retire by rotation | Liable to Retire by rotation |
| Last Drawn remuneration | ₹ 6,00,000 | Nil | Nil |
| Date of Appointment | 01/04/1993 | 01/12/1993 | 31/03/2015 |
| Shareholding in the Company as on 31st March, 2019 | 5,87,426 | 5,09,231 | 3,19,800 |
| No. of Board Meetings attended in 2018-19 | 16 | 16 | 16 |
| Directorship in Other Boards as on 31st March, 2019 | Dutron Plastics Limited, Nippon Polymers Private Limited | Dutron Plastics Limited, Nippon Polymers Private Limited | Nil |
| Membership/ Chairmanship, of other Boards' Committees as on 31st March, 2019 | Nil | Nil | Nil |

ANNEXURE - B TO THE NOTICE

| | |
|---|--|
| I. General Information: | |
| (1) Nature of industry | Manufacturing of Plastic Pipes |
| (2) Date or expected date of commencement of commercial production | Since 1981 |
| (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable |
| (4) Financial performance based on given indicators | Net Profit of ₹ 209.66 |
| (5) Foreign investments or collaborations, if any. | Nil |
| II. Information about the appointee: | Since no new directors are appointed, this information is not required |
| (1) Background details | |
| (2) Past remuneration | |
| (3) Recognition or awards | |
| (4) Job profile and his suitability | |
| (5) Remuneration proposed | |
| (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | |
| (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | |
| III. Other information: | |
| (1) Reasons of loss or inadequate profits | Due to competition, we the margins have reduced |
| (2) Steps taken or proposed to be taken for improvement | The Company plans to enhance sales volume |
| (3) Expected increase in productivity and profits in measurable terms | It cannot be measured at this level |