



# GWALIOR POLYPIPES LTD



32<sup>nd</sup> ANNUAL REPORT

**GWALIOR POLYPIPES LIMITED**  
**Our Board of Directors**

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Sanil Prakash Sahu	Managing Director
2.	Anil Prakash Sahu	Non – Executive Director
3.	Swati Sanil Sahu	Non – Executive Director
4.	Ashok Gupta	Independent Director
5.	Rakhi Singh	Independent Director
6.	Y S Shah	Independent Director

**Company Secretary**  
Aditya K Pandey

**Auditors**  
SNMG & Co.  
Chartered Accountant  
New Delhi

**Registered Office**  
Polypipes Estate,  
Malanpur Industrial Area  
Malanpur – 477117  
Distt.: Bhind (M.P.)

**Works**

Unit – I  
Sanju Estate  
Malanpur Industrial Area  
Malanpur – 477117  
Distt. : Bhind (M.P.)

Unit II  
Sanju Estate  
A- 170-171, Indraprastha Industrial Area  
Kota - 324005  
Rajasthan

## **GWALIOR POLYPIPES LIMITED**

Regd. Office: - Polypipe Estate, Malanpur Industrial Area,  
Malanpur, District- Bhind (M.P)  
CIN: L28939MP1982PLC002072  
**website: gwaliorpolypipes.com**

### **Notice**

Notice is hereby given that the 32nd Annual General Meeting of the members of Gwalior Polypipes Limited will be held at 11.00 AM on Wednesday, 30th September, 2015 at the registered office of the company to transact the following business:

### **Ordinary Business**

1. To receive consider and adopt the audited Balance Sheet of the company as at 31st March, 2015, the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditor thereon.
2. Mrs. Devila Harish Sahu, retires in annual general meeting of the company. She is not eligible for re-appointment as not offered herself for reappointment.
3. Mr. Dilip C Parekh, who ceased to be director, he is not eligible for reappointment as not offered himself for reappointment.
4. Mr Jittender Kapoor who ceased to be director, he is not eligible for reappointment as not offered himself for reappointment.
5. To appoint M/S SNMG & CO. Chartered Accountants, the retiring Auditors, as Auditors of the company and fix their remuneration.

### **Special Business**

1. Ms. Rakhi Singh, Additional Independent Director, retiring in annual general meeting of the company, being eligible and offers herself for re-appointment.
2. Mr. Y S Shah, Additional Independent Director, retiring in annual general meeting of the company, being eligible and offersv himself for re-appointment.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: 5th September, 2015

**Sanil P. Sahu**  
**Managing Director**  
**DIN: 00335201**

### **Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE DULY FILLED IN, SIGNED AND PROPERLY STAMPED, THEREAFTER SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.
3. Corporate Members are requested to send a duly certified copy of resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. Members/ Proxies should fill the Attendance slip enclosed herewith for attending the meeting.
5. The Register of Directors, key Managerial Personnel including their shareholding maintained under Section 170 and Register of Contracts and Arrangement in which directors are interested, maintained under section 189 of the Companies Act, 2013 will be available at AGM.
6. The Register of Members and Share Transfer Books for equity shares of the company will remain closed from Monday 21st September, 2015 to Monday 28th September, 2015 (both days inclusive).
7. Particulars of the retiring director –Mrs Devila H Sahu, aged more than 70 years is not eligible for re-appointment as has not offered herself for re-appointment. Mrs. Swati S. Sahu, Mr. Sanil P. Sahu & Mr. Anil P. Sahu being relative are concerned or interested in the proposed resolution in respect of Item No. 2.
8. Mr. Dilip C Parekh ceased his office and company has not received any intimation or written offer from his side for re-appointment.
9. Mr. Jittender Kapoor ceased his office and company has not received any intimation or written offer from his side for re-appointment.
10. The Complete notice as well as Annual report of the Company is also available on the website of the Company i.e. [www.gwaliorpolypipes.com](http://www.gwaliorpolypipes.com)
11. Members seeking any information/clarification with regard to accounts and audit are requested to write to the Company in advance and their queries should reach the Registered Office of the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the information/clarification ready.
12. The Securities and Exchange Board of India (SEBI) has mandate the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the company.
13. Members holding shares are requested to furnish their email at [cs@gwaliorpolypipes.com](mailto:cs@gwaliorpolypipes.com) and/or send letter to company quoting their Folio No. and e-mail ID to enable us to serve any document, notice, communication, Annual report etc. through e-mail. For members, who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by permitted mode.
14. We request the members to continue to support the Green Initiative introduction by MCA and make it success.
15. Pursuant to the Stipulations in Clause 35B of the Listing Agreement read with Section 108 of the Companies Act 2013 and the relevant Rules, the Company has entered into an arrangement with NSDL to facilitate the Member to exercise their right to vote at the Annual General Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). The details process for participating in e-voting is given on a separate Annexure. Mr. R Khaneja (Practicing Company Secretary) Add: Krishna Nagar, Mathura, U.P. 281004.
16. Please find the login ID and Password for e-voting at annual general meeting.

### **Explanatory Statement**

1. Ms. Rakhi Singh is additional independent director of the company retires in the ensuing Annual General meeting and offers herself for re-appointment.
2. Mr. Y S Shah is additional independent director of the company retires in the ensuing Annual General meeting and offers himself for re-appointment.

## DIRECTORS' REPORT

*Dear Members,*

Your Directors are pleased to present the 32nd Annual Report on the business and operations of the Company together with the Financial Statements for the year ended 31st March 2015.

### Financial Highlights

The Company's financial performance, for the year ended March 31, 2015 is summarized below:-

Particulars	2014-2015 (Rs. In Lakhs)	2013-2014 (Rs. In Lakhs)
Net Sales	500.80	461.53
Other Income	0.48	4.89
Total Income	501.21	466.42
Profit/(Loss) before Depreciation, Interest & Taxes	(31.27)	(21.68)
Less : Interest	0.87	0.26
Less :Depreciation	14.73	13.18
Profit/(Loss) Before Taxation	(46.87)	(35.12)
Prior Year Adjustment		
Provision for Gratuity		
Provision for Tax		
Provision no longer required		
Profit/(Loss) After tax	(46.87)	(35.12)

### Financial Results

Our working has improved and satisfactory. Company revenue has increased from Rs. 461.53 Lakh in Financial Year 2013-14 to Rs. 500.80 Lakh in Financial Year 2014-15. However, net loss of the company has increased due to heavy energy charge; your company has incurred a loss of Rs. 46.87 Lakh in Current Financial year as compared to Rs. 35.12 Lakh in Previous Year. Your Directors are putting in their best efforts to improve the performance of the Company.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report.

### Future Outlook

As per the recent report by the World Bank, India is set to emerge as the world's fastest-growing major economy by 2015 ahead of China. India's Gross Domestic Product (GDP) is expected to grow at 7.5 per cent in 2015.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

Looking at the positive economic outlook for the current year, your company is making efforts to increase the sales. We are continuously working to strengthen relationship with customers. In such improved market condition, your company will also rise and perform better.

**Dividend**

Your Director has not recommended any dividend for this financial year due to losses.

**Reserves**

No amount has been transferred in reserves during the current financial.

**Deposits**

The company has not accepted any deposits from the public during the year under report.

**Directors and Key Managerial Personnel**

The Company has received declarations from both the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchange.

The Company has devised adequate Policy for performance evaluation of Independent Directors, Board & Committees members and other individual Directors, which includes criteria for performance evaluation of all directors. Their roles, rights & responsibilities are put up on the website under code of conduct and Code of fair disclosure.

**Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- A. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- B. they 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 and of the profit of the Company for that period;
- C. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

**Statutory Auditors**

The term of your Company Auditors M/s. SNMG & Co., Chartered Accountants, expires at the ensuing Annual General Meeting and being eligible, they have expressed their willingness to be appointed as Statutory Auditors of the company. The Board recommends their Appointment Company for next Four years in the ensuing AGM subject to ratification by shareholders at every Annual General Meeting.

The Auditors observations and the relevant notes on the Accounts are self-explanatory and therefore do not call for further comments.

**Secretarial Auditor**

The Board has appointed M/s Shweta Gupta, Practising Company Secretary as per Section 204 of Companies Act, 2014 to conduct Secretarial Audit of financial year 2014-15. The Secretarial Audit Report for the year under review has been annexed. The Secretarial Audit report contain some qualification/adverse remarks related to e-voting facility in compliance of Companies Act, 2013, as provisions were not very clear whether e-voting were applicable on current financial year or not. Other observation related to appointment of company secretary has been removed by the company. Observation related to Securities law has also been removed by the company and

now company is complying the securities law.

### **Human Resources**

Your Directors wish to place on record their deep appreciation for its human Resources. The Company continues to place tremendous importance on overall development of all its employees.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014 are set out in an “Annexure-I” to this report.

### **Meeting of Board**

During the period under review, Your Company have complied the requirement of board meeting as per section 173 of Companies Act, 2013. It had seven Board Meetings dated 05.04.2014, 18.07.2014, 29.09.2014, 10.10.2014, 09.01.2015, 24.03.2015 and 31.03.2015. The details are as following:-

<b>S. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Board Meeting Attended</b>
1.	Sanil Prakash Sahu	Managing Director	7
2.	Anil Prakash Sahu	Non- Executive Director	7
3.	Swati Sanil Sahu	Non- Executive Director	5
4.	Ashok Gupta	Independent Director	7
5.	Rakhi Singh	Independent Director	1

### **Audit Committee**

The Audit Committee comprises 3 directors as Mr. Ashok Gupta (Independent Director), Ms. Rakhi Singh (Independent Director) and Mr. Sanil P Sahu (Managing Director). There were 4 committee meeting held during the reporting period and all the recommendations made by the Audit Committee were accepted by the Board.

### **Nomination and Remuneration Committee**

As per section 178 of Companies Act, 2013 nomination and remuneration Committee comprises three non-executive directors Mr. Ashok Gupta (Independent Director), Ms. Rakhi Singh (Independent Director) and Mr. Swati S Sahu (Non- Executive Director).

The committee works with entire Board to determine the appropriate skills, expertness, experience, remuneration required for board as a whole and for Individual members and their remuneration based on their calibre.

### **Contracts or arrangements with related parties**

There has been no contract or arrangements entered into by the Company with any related party referred to in sub-section (1) of section 188 of the Companies Act, 2013 except remuneration to managing Director Mr. Sanil P Sahu. There are some transactions with Nisha Polymers Industries Limited, and these transactions are on arm length price.

### **Material changes/commitments affecting the financial position, occurred after end of the financial year till date of report**

No material changes have been occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report of Board like settlement of any tax liabilities, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.



## **Corporate Governance**

The Company has been practicing good Corporate Governance over a period of time and lays emphasis on transparency, accountability and integrity. Company confirm to the code of corporate governance as stipulated under the Listing Agreement which is also published on the website of the Company.

A report on Corporate Governance along with a Certificate of Auditors, M/s Shweta Gupta, Company Secretary, confirming, compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, form part of the Annual Report.

## **Management Discussion and Analysis Report**

Management Discussion and Analysis Report, as required by clause 49 of listing agreement, form part of the Annual Report.

## **Internal Financial Controls**

Your company has in place adequate internal financial control systems combined with delegation of power and periodical review of the process and financial statements. The control system is also supported by internal checking and management reviews with documented policies and procedures. As per requirement of Section 138 of Companies Act, 2013, M/s Altaf Hussain, being Internal Auditor of the Company placed their report for the financial year 2014-15, which does not contain any qualification/adverse remark.

## **Vigil Mechanism**

The Vigil Mechanism of the Company includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

## **Subsidiary/Joint Ventures/Associate Companies**

Your company does not have any Subsidiary/Joint Ventures/Associate Companies.

## **Risk Management**

During the year, your Directors have an adequate risk management infrastructure in place capable of addressing those risks. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Audit Committee and the Board of Directors review these procedures periodically. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviours together form a complete and effective Risk Management System (RMS).

## **Extract of the Annual Return**

The extract of the annual return as prescribed under Companies Act, 2013 i.e. Form No. MGT – 9 shall form part of the Board's report is separately annexed herewith.

## **General Disclosure**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. There are no deposits, details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. There was no issue of equity shares with differential rights as to dividend, voting or otherwise.
3. There was no issue of shares (including sweat equity shares) to employees of the Company under any scheme
4. No Change in the nature of the business of the Company took place during the year.



5. There has been no loan, guarantee, investment made during the current financial year under section 186
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. Your Directors further state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **Acknowledgement**

Your Directors would like to express their sincere appreciation for the support and co-operation received from Company's bankers, investors, vendors, customers, government authorities and business association during the year. Your Directors would also like to once again place on record their appreciation to the employees at all levels, who through their dedication, co-operation and support have enabled the Company to move closer towards achieving its corporate objectives.

**By Order of the Board  
For Gwalior Polypipes Ltd.**

**Place: New Delhi  
Date: Sept 05, 2015**

**Sd/-  
Anil Prakash Sahu  
DIN : 00335684**

**Sd/-  
Sanil Prakash Sahu  
DIN : 00335201**

## **REPORT OF THE BOARD OF DIRECTORS**

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Remuneration policy of your Company is a comprehensive policy which is competitive, in line with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives and the performance of the individuals measured through the annual appraisal process.

### **POLICY ON DIRECTORS' APPOINTMENT**

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013 and the Listing Agreement with Stock Exchanges and good corporate practices.

### **REMUNERATION CRITERIA FOR NON-EXECUTIVE DIRECTORS**

1. As per Company's policy, the Company doesn't pay any commission or remuneration to its non-executive directors.
2. The Company reimburses the actual traveling and lodging expenses to the Non-Executive Directors for attending the Board, Committee and members meetings from time to time, if claimed.
3. Independent directors are being appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the companies Act, 2013, rules made thereunder & listing agreement entered with stock exchange.
4. The Company does not provide any ESOP, etc to its directors.
5. The company has appointed two women directors in the board to empowerment of woman in compliance with the provisions of Companies Act 2013 and Listing agreement.

### **REMUNERATION CRITERIA FOR THE EXECUTIVE DIRECTORS AND KMP:**

1. The Remuneration of the executive directors and Managing Director is determined and approved by the Nomination and Remuneration Committee of the Board, consisting majority of the independent directors.
2. The Executive directors being appointed for a period of 5 years at a time.
3. The Company is not paying any sitting fee as well as does not provide any ESOP, etc to its executive directors.
4. The Company is paying remuneration to its Company Secretary as per the terms of the appointment approved by the Remuneration Committee and he is also entitled for the annual increments based on his performance, evaluated by the Remuneration Committee and Board on annual basis.

**By Order of the Board  
For Gwalior Polypipes Ltd.**

**Place: New Delhi  
Date: Sept 05, 2015**

**Sd/-  
Anil Prakash Sahu  
DIN : 00335684**

**Sd/-  
Sanil Prakash Sahu  
DIN : 00335201**