



Quality Assured Company  
ISO-9001:2000



# ANNUAL REPORT 2013-14

# PASUPATI ACRYLON LIMITED

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## BOARD OF DIRECTORS

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### Managing Director

Mr. Vineet Jain

### Directors

Mr. M.M. Kohli

Mr. S.C. Malik

Mr. S. Sathyamoorthy

Mr. Devender Singh (PICUP Nominee)

Mr. Rakesh Gupta (PICUP Nominee)

Mr. Rakesh Mundra Director (Finance) & Company Secretary

### Auditors

M/s. B.K. Shroff & Co.  
New Delhi

### Bankers

Allahabad Bank  
State Bank of Patiala  
UCO Bank  
Bank of Maharashtra  
State Bank of Travancore  
Bank of Baroda  
Canara Bank

### Regd. Office & Works

Thakurdwara  
Kashipur Road  
Distt. Moradabad (U.P.)- 244 601  
Ph: 0591-2241352-55, 2241263  
Fax: 0591-2241262  
Email: works@pasupatiacrylon.com

### Corporate Office

M-14, Connaught Circus,  
(Middle Circle)  
New Delhi-110 001  
Ph : 011-47627400  
Fax : 011-47627497  
Email: delhi@pasupatiacrylon.com

Registrar & Share Transfer Agents  
**MCS Share Transfer Agent Limited**  
**F-65, Okhla Industrial Area**  
**Phase-I, New Delhi-110 020**  
**Ph: 011-41406149 - 52**  
**Fax: 011-41709881**  
**Email: admin@mcsdel.com**

## NOTICE



Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of Pasupati Acrylon Ltd. will be held on Tuesday the 30<sup>th</sup> day of September 2014 at the Registered Office of the Company at Village Thakurdwara, Kashipur Road, Distt. Moradabad (U.P.) at 10.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements comprising the Balance Sheet as at March 31<sup>st</sup>, 2014 and the statement of Profit & Loss and Cash Flow for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rakesh Mundra (DIN 00005550), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to authorise the Board of Directors to fix their remuneration and in this regard 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, M/s. B.K. Shroff & Co., Chartered Accountants (Registration No. 302166E), be and are hereby re-appointed Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty-fourth AGM of the company to be held in 2017 (subject to ratification of their appointment at every AGM), and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors.

### SPECIAL BUSINESS

4. To appoint Sh. M.M Kohli (DIN 00317197) as an Independent Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh. M.M Kohli be and is hereby appointed as the Independent Director of the company to hold office for five consecutive years up to the conclusion of 36<sup>th</sup> AGM of the company in the calendar year 2019.

**“RESOLVED FURTHER THAT** Sh. Rakesh Mundra, Company Secretary be and is hereby authorised to do all such things as may be necessary to fulfil the conditions of the appointment of Sh. M.M Kohli as Independent Director of the Company.”

5. To appoint Sh. S Sathyamoorthy (DIN 00459731) as an Independent Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following

resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sh. S Sathyamoorthy be and is hereby appointed as Independent Director of the company to hold office for five consecutive years up to the conclusion of 36<sup>th</sup> AGM of the company in the calendar year 2019.

**“RESOLVED FURTHER THAT** Sh. Rakesh Mundra, Company Secretary be and is hereby authorised to do all such things as may be necessary to fulfil the conditions of the appointment of Sh. S Sathyamoorthy as Independent Director of the Company.”

6. To re-appoint Sh. Vineet Jain (DIN 00107149) as Managing Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Sh. Vineet Jain as Managing Director of the Company, for a period of 3 (three) years with effect from October 1<sup>st</sup>, 2014, on the terms and conditions including remuneration as set out in the statement annexed to the Notice with liberty to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include the Nomination & Remuneration Committee of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sh. Vineet Jain, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof without any further reference to shareholders in General Meeting.

**RESOLVED FURTHER THAT** the board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** Sh. Rakesh Mundra, Company Secretary be and is hereby authorized to take all actions on above matters.”

7. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2015 and in this regard 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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the

time being in force), Shri Satnam Singh Saggu, Cost Auditor, (Membership No.M-10555) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2015 be paid the remuneration as set out in the explanatory statement to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 180 (1) (c) and other applicable provisions and rules, if any, of the Companies Act, 2013, and in terms of Articles of Association of the Company, consent of the company be and is hereby accorded to the Board of Directors of the Company for borrowing in Indian Rupees and/or Foreign currencies for the purposes of business of the Company from time to time, any sum or sums of monies on such security and on such terms and conditions as the Board may deem fit, notwithstanding that monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board of Directors and outstanding at any time, shall not exceed the sum of Rs.200 Crore (Rupees Two Hundred Crore only).”

#### Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitle to appoint a proxy to attend and vote on a poll instead of himself and proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and Memberships / Chairmanships of the Board

Committees, shareholding and relationships between Directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Corporate Governance Report forming part of the Annual Report.

4. A statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working day, except Saturdays, during business hours up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Monday, September 22, 2014 to Tuesday, September 30, 2014 (both days inclusive).
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ Karvy.
10. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. *In compliance with the provision of section 108 of the Act and the Rules framed there-under, the members* are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this notice.

The instructions for e-voting are as under:

#### VOTING THROUGH ELECTRONIC MEAN

1. Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e-voting facility to the members. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system provided by Central Depository Services (India) Limited (CDSL).
2. The notice of Annual General Meeting will be send to the members, whose names appear in the register of members/ depositories as at closing hours of business, on or before 22<sup>nd</sup> August, 2014.
3. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.

## NOTICE (Contd.)



4. The Company has appointed Mr. S.K Hota, Practicing Company Secretary (Membership No.ACS 6425), as the Scrutinizer for conducting the e-voting process in the fair and transparent manner.
5. The scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a final report to the Chairman of the company.
6. The results shall be declared at the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pasupatiacrylon.com](http://www.pasupatiacrylon.com) and on the website of CDSL within two days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.
7. The Scrutinizer's decision on the validity of e-voting will be final.

### Instructions for Voting through electronic mode

#### A. In case of members receiving e-mail:

- i. If you are holding shares in demat form and have earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.
- ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

#### Procedure for shareholders casting their vote electronically for the first time

- iii. To initiate the voting process, log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" tab to cast your votes.
- v. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID Followed by 8 Digits client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
Image Verification	Next enter the image verification as displayed and click on Login	
PAN	Enter 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number is mentioned in the address slip in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0:s before the number after the first two characters of the name in Capital letters. e.g. If your name is Mahesh Kumar with sequence number 1 then enter MA00000001 in the PAN field.
Bank Details#	Enter your bank account number as registered with your depository participant in case electronic shares or with the company in respect of physical shares.	
DOB#	Enter your date of birth as recorded in your demat account or in the company records in respect of your shareholding in the Company.	

# CDSL users can enter date of birth, in order to login however, NSDL users and physical certificate holders mandatorily have to mention their bank account number in order to login. In case bank details are not recorded with the depository, please enter the No. of shares held by you as on 22<sup>nd</sup> August, 2014 in the Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters. 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

## NOTICE (Contd.)

that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - ix. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith “Pasupati Acrylon limited” on which you choose to vote.
  - x. 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.
  - xi. Click on the “Resolutions File Link” if you wish to view entire resolutions.
  - xii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A conformation 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.
  - xiii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
  - xiv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
  - xv. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details prompted by the system.
    - Institutional shareholders (i.e. other Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and registered themselves as Corporate.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
    - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, in PDF format in the system for scrutinizer to verify the same.
- B. In case of members receiving the physical copy of notice of the Annual General Meeting (for members whose e-mail ids are not registered with the company/ depository participant(s) or requesting physical copy)
- Please follow all steps from sl. no. (i) to sl. No. (xv) above, to cast vote.
- C. Institutional shareholders (i.e. other Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and registered themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- D. The voting period begins on 16<sup>th</sup> September, 2014 and ends on 18<sup>th</sup> September, 2014 During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 1<sup>st</sup> September, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- E. 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](http://www.evotingindia.com) under “Help” section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By order of the Board  
PASUPATI ACRYLON LIMITED

(Rakesh Mundra)  
Company Secretary

Place : New Delhi  
Dated : 11<sup>th</sup> August, 2014

Registered Office  
Thakurdwara Kashipur Road  
Distt. Moradabad  
Uttar Pradesh

## NOTICE (Contd.)



### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### ITEM NO. 4 & 5

Sh. M.M. Kohli and Sh. S. Sathyamoorthy are Independent Directors of the Company and have held the positions as such for more than 5 (five ) years,

The Securities and Exchange Board of India has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent director by a listed company.

It is proposed to appoint Sh. M.M. Kohli and Sh. S. Sathyamoorthy as Independent Directors under Section 149 of the Act and Clause 49 of Listing Agreement to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Sh. M.M. Kohli and Sh. S. Sathyamoorthy are not Disqualified from being appointed as Directors in term of Section 164 of the Act and have given their consent to act as Directors.

The Company has received Notices in writing from member's alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of each of Sh. M.M. Kohli and Sh. S. Sathyamoorthy for the office of Directors of the Company.

The Company has also received declarations from Sh. M.M. Kohli and Sh. S. Sathyamoorthy that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under clause 49 of Listing Agreement.

In the opinion of the Board, Sh. M.M. Kohli and Sh. S. Sathyamoorthy fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Sh. M.M. Kohli and Sh. S. Sathyamoorthy are Independent Directors of the Management.

Brief resume of Sh. M.M. Kohli and Sh. S. Sathyamoorthy, nature of their expertise in specific functional areas and names of Companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Sh. M.M. Kohli and Sh. S. Sathyamoorthy as Independent Directors setting out the terms and conditions are available for inspection by members at registered office of the Company.

This statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

Sh. M.M. Kohli and Sh. S. Sathyamoorthy are interested in the resolutions set out respectively at Item No. 4-5 of the Notice with regard to their respective appointments.

The relative of Sh. M.M. Kohli and Sh. S. Sathyamoorthy may be deemed to be interested in the resolutions set out respectively at Item No 4-5 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 are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item No. 4-5 of the Notice for approval by the shareholders.

A brief profile of the Independent Directors to be appointed is given below:

Sh. S. Sathyamoorthy is a B. Com, I.A.A.S, C.A.I.I.B, Post Graduate Diploma in Development Finance (U.K) and also Retd. Dy. Comptroller & Auditor General in the Rank of Secretary to Govt. of India with expertise in the fields of Audit, Accounts and also have very rich assorted experience in the field of Economic, Law and General Management.

Sh. M.M. Kohli is a M.A. (Eco.) and also a retired IAS officer of 1952 batch was the Ex-Secretary to Ministry of Energy, Government of India. He has also held various senior positions in the state as well as at the central Government and has varied experience in specialities function and general management.

#### ITEM NO. 6

The Board of Directors of the Company at its meeting held on 11th August 2014 re-appointed Sh Vineet Jain Managing Director for a period of three years w.e.f. 1<sup>st</sup> October, 2014 on the terms of remuneration approved by the Remuneration Committee as per details hereunder subject to approval of the shareholders.

The broad particulars of remuneration payable to and terms of the respective re-appointment of Sh Vineet Jain for a period of three years w.e.f. 1<sup>st</sup> October, 2014 is as under:

##### I. Remuneration

##### 1. Salary:

Rs.2,00,000/- (Rupees Two lac) per month.



## NOTICE (Contd.)

### 2. Allowances and Perquisites:

- |   |   |   |
|---|---|---|
| (i) House Rent Allowance                                      | : | 60% of Salary per month.  |
| (ii) Medical Allowance  | : | Rs.2,00,000/- per annum   |
| (iii) Leave Travel Assistance                                 | : | Rs.2,00,000/- per annum.  |
| (iv) Club Fee   | : | Actual fees subject to a maximum of Rs.50,000/- per annum   |
| (v) Depreciation on furniture                                 | : | As per Income Tax Rules.  |
| (vi) Personal Accident Premium                                | : | For a maximum of Rs.15000/- per annum   |
| (vii) Medical Insurance Premium                               | : | For a maximum of Rs.15000/- per annum   |
| (viii) Contribution to Provident Fund and Superannuation fund | : | will be as per Rules of the Company. At present the same shall be 12% and 13% respectively of basic salary.   |
| (ix) Gratuity payable   | : | shall be at a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Rules of the Company. |
| (x) Encashment of un-availed leave                            | : | at the end of the tenure as per rules of the Company  |

#### Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

### II. Overall Remuneration

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 196, 107 and other applicable provisions of the Act read with Schedule V.

### III. Minimum Remuneration

Notwithstanding anything to the contrary contained therein, in the event of absence or inadequacy of profits in any financial year during the term of office of Sh Vineet Jain as Managing Director commencing from 01.10.2014, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Sh Vineet Jain will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

The approval of the shareholders is sought by way of a Special Resolution to the re-vision of remuneration payable to Sh. Vineet Jain as Managing Director so that it remain within the permissible limit as set out by Schedule V of the Companies Act, 2013.

Sh. Vineet Jain is liable to retire by rotation.

None of the Directors of the Company, except Sh Vineet Jain, Managing Director of the Company is concerned or interested in this resolution.



## NOTICE (Contd.)



### 'Annexure – A'

Statement as required under, Part II of the Schedule V of the Companies Act, 2013 with reference to the Resolution at Item No.6 of the Notice for the Annual General Meeting of Pasupati Acrylon Limited.

#### I. General Information:

- Nature of Industry:** Manufacture of Acrylic Fibre, Tow & Tops.
- Date or expected date of commencement of commercial production:** Existing Company in operation since 1990.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- Financial performance based on given indicators:**

(Rs. in Crore)

S.No.	Particulars	2013-14	2012-13	2011-12
1	Gross Turnover	587.54	463.88	431.08
2	Profit/(Loss) before tax	10.68	(9.84)	(12.48)
3	Net Profit/(Loss) after tax	7.26	(6.93)	(8.70)
4	Paid-up share capital	89.14	89.14	89.14
5	Reserves & Surplus	(12.47)	(12.35)	3.00

- Foreign investments or collaborators, if any: None

#### II. Information about Sh Vineet Jain

- Background details:** Sh Vineet Jain, aged about 45 years is one of the promoters of the Company. He joined the Company in October 1994 as Jt. Managing Director and re-designated as Managing Director w.e.f 5<sup>th</sup> December, 1997. He possesses a Bachelors Degree in Business Administration from Richmond University, London.
- Past Remuneration:**

S. No.	Financial Year	*Amount (In Rs.)
1	2013-14	40,12,626
2	2012-13	44,08,540
3	2011-12	44,00,938

\*excluding retirement benefits (PF, Superannuation and Gratuity)

- Recognition or Award:** He is a well known figure in the Acrylic Fibre Industry and commands respect.
- Job profile and his suitability:** Sh Vineet Jain, has been entrusted with substantial powers of the management of business and affairs of the Company. The Company is substantially benefitted by his vision, professional knowledge and managerial expertise and has made enormous progress. Sh Vineet Jain plays a major role in providing thoughtful leadership and strategic inputs to the Company.
- Remuneration proposed:** As stated in the Explanatory Statement at Item No.6 of the Notice.
- 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 w.r.t. the country of his origin):** Remuneration of Sh Vineet Jain is in sync with his peers and is commensurate with his qualification, experience and size of the Company.
- Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Sh Vineet Jain is a Promoter-Director, holds 12,02,422 equity shares of Re.10/- each representing about 1.35% of the total paid-up capital of the Company.

#### III. Other information:

- Reasons of loss or inadequate profits:**

During the Financial Year 2013-14, the Company recorded a net profit of Rs.7.26 Crore.

**2. Steps taken or proposed to be taken for improvement:**

- The Company has put up a new captive based Power Plant which would save substantially in power cost.
- To de-risk foreign exchange fluctuation, the Company is increasing its exports and also taking forward cover.
- Company *is striving* to optimize its resources and save on cost.

**3. Expected increase in productivity and profits in measurable terms:**

- Installation of New Power Plant would entail substantial saving.
- Other measures are ongoing and difficult to be quantified.

**IV. Disclosures:**

- Remuneration package of the managerial person:** Fully described in the Explanatory Statement as stated above.
- Disclosures in the Board of Directors' report under the heading 'Corporate Governance' attached to the Annual Report:** The requisite details of remuneration etc. of Directors are/will be included in the Corporate Governance Report, forming part of the Annual Report of the Company.

**ITEM NO. 7**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Rs.40,000/- (Rupees forty thousand only) of the Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provision of Section 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for rectification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in the Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

**ITEM NO. 8**

The Shareholders vide their Ordinary Resolution passed in the Annual General Meeting held on 27.09.1990 has authorised the Board of Directors of the Company to borrow upto Rs.200 Crores (Rupees two hundred Crore only) under the provisions of Companies Act, 1956.

However, pursuant to the provisions of the Section 180(1)(c) of the Companies Act, 2013, since notified, the Board can exercise borrowing powers only with the consent of the members of the Company by way of Special Resolution, unlike ordinary resolution as required vide Section 293(1)(d) of the Companies Act, 1956. In view of the provisions of Section 180(1)(c) the Company seeks borrowing of existing limit to Rs.200 Crore (Rupees two hundred Crore only).

The resolution is accordingly recommended for approval as Special Resolution under Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

By order of the Board  
**PASUPATI ACRYLON LIMITED**

Place : New Delhi  
Dated : 11<sup>th</sup> August, 2014

**Rakesh Mundra)**  
Company Secretary

*Registered Office*  
Thakurdwara Kashipur Road  
Distt. Moradabad  
Uttar Pradesh