



Quality Assured Company  
ISO-9001:2000



# ANNUAL REPORT 2016-2017

# PASUPATI ACRYLON LIMITED

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## BOARD OF DIRECTORS

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### Managing Director

Mr. Vineet Jain

### Directors

Mr. D. K. Kapila

Mr. S.C. Malik

Mr. S. Sathyamoorthy

Ms. Soma Garg

Mr. D. K. Sharma (PICUP Nominee)

Mr. Rakesh Mundra Director (Finance) &  
Company Secretary

### Auditors

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

### Bankers

Allahabad Bank  
State Bank of India  
UCO Bank  
Bank of Maharashtra  
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 Ltd.  
F-65, Okhla Industrial Area  
Phase-I, New Delhi-110 020  
Ph: 011-41406149 Fax: 011-41406148  
Email: admin@mcsregistrars.com

## NOTICE



Notice is hereby given that the 34th Annual General Meeting of the members of Pasupati Acrylon Limited will be held on Wednesday the 27th day of September 2017 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>, 2017 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 Shri. Vineet Jain (DIN 0107149), 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, as amended from time to time, M/s. Suresh Kumar Mittal & Co., Chartered Accountants (Registration No. 500063N), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors of the Company M/s B.K. Shroff & Company, Chartered Accountants (Firm Registration No. 302166E) to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Ninth AGM of the company to be held in 2022 and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board in consultation with the Auditors.

### SPECIAL BUSINESS

4. 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 **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 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 5 (five) years with effect from October 1<sup>st</sup>, 2017, 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 Section 197 and 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 on 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.”

5. To re-appoint Sh. Rakesh Mundra (DIN 00005550) as Whole time Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a **Ordinary 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. Rakesh Mundra as Whole-time Director of the Company, for a period of 5 (Five) years with effect from 14<sup>th</sup> February, 2017, 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. Rakesh Mundra, 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.”

6. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2018 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:



## NOTICE (Contd.)

**“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), M/s. 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, 2018 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 such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### 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 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, 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 Thursday, September 21, 2017 to Wednesday, September 27, 2017 (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/MCS.
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 14<sup>th</sup> August, 2017.
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.
4. The Company has appointed Shri S.K. Hota, Practicing Company Secretary (Membership No.16165, Certificate No.6425,) as the

## NOTICE (Contd.)

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

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21<sup>st</sup> September, 2017 (10 AM) and ends on 23<sup>rd</sup> September, 2017 (5.30 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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 Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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 No. / Folio No. in the PAN field.</li> <li>In case the sequence No. / Folio No. 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. Eg. If your name is Ramesh Kumar with sequence / Folio No. 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "**SUBMIT**" tab.
- (x) 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 mandatorily enter their login password in the new password field. 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 utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVS**N of "Pasupati Acrylon Limited" on which you choose to vote.



## NOTICE (Contd.)

- (xiii) 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.
- (xiv) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on **"Click here to print"** option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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.
  - Those persons, who have acquired shares and have become Members of the Company after the despatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. 20.09.2017 shall view the Notice of the 34<sup>th</sup> AGM on the Company's website. Such members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
- (xxi) 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 email to Mr. Rakesh Dalvi, Dy. Manager, CDSL, 16<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, e- mail : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), Phone : 18002005533.

### Route of AGM Venue

After reaching Moradabad (U.P) take Moradabad Ramnagar Highway route (NH -24). About 40 KM from Moradabad our venue of AGM is at Thakurdwara, (Kashipur Road).

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

**(Rakesh Mundra)**  
Company Secretary

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2017

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

The Board of Directors of the Company at its meeting held on 29<sup>th</sup> May 2017 re-appointed Sh Vineet Jain (DIN: 00107149) as Managing Director for a period of five years w.e.f. 1<sup>st</sup> October, 2017 on the terms of remuneration approved by the Nomination & 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 five years w.e.f. 1<sup>st</sup> October, 2017 are as under:

#### I. Remuneration

1. Salary	:	Rs.4,25,000/- (Rupees Four Lakh Twenty Five thousand only) per month.
<b>2. Allowances and Perquisites</b>		
(i) House Rent Allowance	:	60% of Salary per month.
(ii) Medical Allowance	:	Rs.4,25,000/- per annum
(iii) Leave Travel Assistance	:	Rs.4,25,000/- 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
(vi) Medical Insurance Premium	:	For a maximum of Rs.15000/- per annum
(vii) Contribution	:	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.
(viii) Commission	:	5% of the net profit including Salary & perquisites.
(ix) Gratuity	:	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 leave	:	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 197 of the Companies Act, 2013 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 01.10.2017, 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 sitting fees for attending the meetings of the Board of Directors or Committees thereof.

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.

#### ITEM NO. 5

The Board of Directors of the Company at its meeting held on 10<sup>th</sup> February 2017 re-appointed Sh Rakesh Mundra (DIN: 00005550) as Whole Time Director (Finance) for a period of five years w.e.f. 14<sup>th</sup> February, 2017 on the terms of remuneration approved by the

## NOTICE (Contd.)

Nomination & 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 Rakesh Mundra for a period of five years w.e.f. 14<sup>th</sup> February, 2017 are as under:

### I. Remuneration

1. Salary per month	Rs. 1,37,000 – 8000 = 1,77,000
2. <b>Allowances and Perquisites</b>	
a) House Rent Allowance	Rs.10,000/- per month
b) Leave Travel Allowance	The yearly payment in the form of allowance shall be equivalent to one month's basic salary.
c) Medical reimbursement	Subject to a ceiling of Rs.15,000/- per annum.
d) Personal Accident Premium	For a maximum of Rs.10,000/- per annum
e) Medical Insurance Premium	For a maximum of Rs. 25,000/- per annum
f) Contribution	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.
g) Gratuity	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.
h) Encashment of leave	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 197 of the Companies Act 2013 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 Rakesh Mundra as Whole time Director (Finance) commencing from 14.02.2017, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Sh Rakesh Mundra 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 Ordinary Resolution to the revision of remuneration payable to Sh. Rakesh Mundra as Whole time Director (Finance) so that it remain within the permissible limit under Section 197 and Schedule V of the Companies Act, 2013.

Sh. Rakesh Mundra is liable to retire by rotation.

The respective arrangement may be terminated by either party (company or the concerned Whole-time Director) by giving the other Three month's prior notice of termination in writing.

If at any time Whole-time Director (Finance) ceases to be a Director of the Company for any cause whatsoever, he shall cease to be Whole-time Director (Finance) of the company.

None of the Directors of the Company, except Sh. Rakesh Mundra as Whole time Director (Finance) of the Company is concerned or interested in this resolution.

### ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of cost auditor for Rs. 40,000/- (Rupees forty thousand only) to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2018.





## NOTICE (Contd.)

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. 6 of the Notice.

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

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

**(Rakesh Mundra)**  
Company Secretary

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2017

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

**Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting  
[Pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015  
of the Listing Agreement with the Stock Exchanges]**

Name of Director	Shri Vineet Jain	Shri. Rakesh Mundra
Date of Birth	02.07.1969	14.04.1960
Date of Appointment	01.10.1994	14.02.2012
Expertise in specific functional Areas	Shri Vineet Jain, B.B.A. (London), has been in the service of your Company since 1990. He was then elevated as Joint Managing Director in the year 1994 and Managing Director in the year 1997.	A Fellow Member of the ICAI, ICSI and Cost Accountant, has been in the service of your Company since 2004, and had held senior positions in Secretarial, Finance and Accounts Departments of your company, prior to his appointment as Director (Finance) and Company Secretary.
Qualifications	BBA London	FCA, FCS & ACMA
List of other companies in which directorship held as on 31.3.2017	1) Vigar Enterprises Limited 2) Pasupati Advanced Films Limited	1) AMG Mercantile Private Limited 2) Pasupati Advanced Films Ltd. 3) Gee Limited
Chairman /Member of the committee of other public companies on which individual is a director as on 31.3.2017	Nil	Gee Limited • Member Audit Committee • Chairman Nomination and Remuneration Committee • Chairman Stake Holders Relationship Committee
No of shares held in the Company as on 31.3.2017	1202422	Nil
Relationship between directors inter se	Nil	Nil



## DIRECTORS' REPORT

### To the Members

Your Directors have pleasure in presenting Annual Report of the Company together with the Audited Accounts for the year ended on 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

Salient financial results during the year under review as compared to the previous year are mentioned below:-

	2016-17	(Rs./ Crores) 2015-16
Sales (Gross) & Other Income	<b>509.81</b>	588.91
Profit before Interest & Depreciation	<b>70.53</b>	61.25
Finance Cost	<b>5.48</b>	6.31
Depreciation	<b>6.86</b>	7.43
Profit before Taxes	<b>58.19</b>	47.51
Tax Expenses for the year :-		
- Current Tax	<b>19.76</b>	0.61
- Deferred Tax (Assets)/Liability	<b>(1.02)</b>	13.90
Less : Exceptional Items	<b>5.41</b>	3.07
Profit after Taxes	<b>34.04</b>	29.93

### DIVIDEND

The Board of Directors decided to plough back the earnings to strengthen the financials of the Company, hence do not recommend dividend for the year.

### RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Company has recorded production of 38918 MT and Sale of 37515 MT during the year under review as against 41616 MT and Sale of 41616 MT respectively during the previous year. The EBIDTA increased to Rs. 70.53 Crore from Rs. 61.25 Crore and Net Profit increased to Rs.34.04 from Rs.29.93 Crore in the previous year. Barring unforeseen circumstances it is expected that during current financial year company should continue to do well.

### EXPORTS

The Company's exports continue to grow at a healthy pace. For the year exports were of Rs.156.87 Crore (14187 MT) as compared to Rs.143.06 Crore (12769 MT) in the corresponding period of last year.

### INTEGRATED CPP FILM PROJECT

The installation of Machinery is completed, trial run has begun. Barring unforeseen circumstances, it is expected that commercial production shall start in the Month of July-August 2017.

### CDR EXIT

As reported last year consequent to payment of debt restructured under CDR, the Company exited from CDR. However, recompense amount shall be paid on approval from respective banks and CDR EG/Core group which is yet awaited.

Based on discussions with Lead Bank, the Company provided Rs.848.86 Lakh towards recompense amount.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### a) Industry Structure and Development

The Demand of Acrylic Fibre during the year remained subdued, consequently company's production fallen to 38918 MT from 41616 MT and sales were down to 37515 MT from 41616 MT.

#### b) Opportunities and Threat

Principal raw material i.e. A C N is a by-product of crude oil. During the year under review prices of crude remained volatile so the A C N prices, while it is now stabilizing in the band of 50 USD per barrel, as such it is expected that A C N prices would also move in a narrow band. Since it is being imported, the fluctuation in foreign exchange i.e. USD vs. INR has a bearing on the margin of the Company.

#### c) Segment-wise / Product-wise performance

The Company has only one segment i.e. Acrylic Fibre.

#### d) Risk and Concern

Since Company is dependent upon imported raw materials as such sudden movement in USD and volatility in crude oil affects the margin. To de-risk, the company is increasing thrust on exports; during the year Company's exports were about 38% of sales.