



Quality Assured Company
ISO-9001:2000



ANNUAL REPORT 2017-2018

PASUPATI ACRYLON LIMITED

BOARD OF DIRECTORS

Managing Director

Mr. Vineet Jain

Directors

Mr. D. K. Kapila

Mr. S.C. Malik

Mr. S. Sathyamoorthy

Ms. Soma Garg

Mr. Satya Prakash Gupta (Director Operations)

Auditors

M/s. Suresh Kumar Mittal & 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 35th Annual General Meeting of the members of Pasupati Acrylon Limited will be held on Thursday the 27th day of September 2018 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 31st, 2018 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 Mr. Vineet Jain (DIN 00107149), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To ratify appointment of 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 ratified the appointment as Statutory Auditors of the Company, 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. **“RESOLVED THAT** Mr. Satya Prakash Gupta (DIN 00509809) who was appointed as Additional Director pursuant to the provisions of Section 161(1) and other applicable provisions (including any modification or re-enactment thereof) if any, of the Companies Act, 2013, to hold such office upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing pursuant to Section 160 of the Companies Act 2013 proposing his candidature to the office of Director be and is hereby appointed as Director of the Company.”
5. To appoint Mr. Satya Prakash Gupta (DIN 00509809) as Whole time Director, designated as Director (Operations) and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as **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 appointment of Mr. Satya Prakash Gupta as Whole-time Director, designated as Director (Operations) of the Company, for a period of 3 (Three) years with effect from 29th May, 2018, 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 appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Satya Prakash Gupta, subject to the same not exceeding the limits specified under Section 177 and Schedule V of 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 Mr. Vineet Jain, Managing Director of the Company be and is hereby authorized to take all actions on above matters.”

6. To approve the remuneration of Cost Auditor for the financial year ending March 31, 2019 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), M/s. Satnam Singh Saggi, 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 31st March, 2019 be paid 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.”

NOTICE (Contd.)



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 20, 2018 to Thursday, September 27, 2018 (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 14th August, 2018.
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 M/s S.K. Hota Associates Practicing Company Secretary (Membership No.16165, Certificate No.6425,) as 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 and on the website of CDSL within two days of passing of

NOTICE (Contd.)



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 22nd September, 2018 (10 AM) and ends on 24th September, 2018 (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 20th September, 2018 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.
- (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 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> <p>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.</p> <p>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.</p>
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> <p>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).</p>

- (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.
- (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.

NOTICE (Contd.)



- (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 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, 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 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., 20.09.2018 shall view the Notice of the 35th 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, under help section or write an email to Mr. Rakesh Dalvi, Dy. Manager, CDSL, 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, e- mail : 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

Place : New Delhi
Dated : 29th May, 2018

(Rakesh Mundra)
Company Secretary

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 on 29.05.2018 appointed Mr. Satya Prakash Gupta (DIN 00509809) as Additional Director pursuant to the provisions of Section 161(1) and other applicable provisions (including any modification or re-enactment thereof) if, any, of the Companies Act, 2013, and would be holding the office upto the date of this Annual General Meeting. The Company has received Notice in writing pursuant to Section 160 of the Companies Act 2013.

Mr. Satya Prakash Gupta, aged about 64 years, is a Chemical Engineer and is having industry experience of about 37 years.

Your Director consider that Mr. Satya Prakash Gupta's experience and guidance will be immense value to the Company and accordingly commended his appointment for your approval.

Appointment of Mr. Satya Prakash Gupta as Director liable to retire by rotation.

Except Mr. Satya Prakash Gupta, none other Directors of the Company is in any way concerned or interested in the proposed resolution.

ITEM NO. 5

Mr. Satya Prakash Gupta, has been working with the Company as Chief Executive (Works). It is proposed to appoint him as Whole time Director (Operations) for a period of three years.

The Board of Directors of the Company at its meeting held on 29th May 2018 appointed Mr. Satya Prakash Gupta (DIN: 00509809) Whole Time Director, Designated as Director (Operations) for a period of three years w.e.f. 29th May, 2018 on the terms of remuneration approved by the Remuneration Committee / Board as per details hereunder subject to approval of the shareholders.

The broad particulars of remuneration payable to and terms of the respective appointment of Mr. Satya Prakash Gupta for a period of three years w.e.f. 29th May, 2018 is as under:

I. Remuneration

- | | | |
|-------------------------------------|---|---|
| 1. Salary (Basic) per month | : | Rs. 1,50,000 – 9000 – 1,68,000 |
| 2. <u>Allowances / perquisites:</u> | | |
| a) House Rent Allowance | : | Rs.20,000/- 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 Allowance | : | 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 will be as per Rules of the Company. At present the same shall be 12% 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 Gratuity Act. |
| 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 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 Mr. Satya Prakash Gupta as Director (Operations) commencing from 29.05.2018, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Mr. Satya Prakash Gupta will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Mr. Satya Prakash Gupta is liable to retire by rotation.

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

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

NOTICE (Contd.)



None of the Directors of the Company, except Mr. Satya Prakash Gupta as Director (Operations) 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 Rs. 45,000/- (Rupees forty five thousand only) of the Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending March 31, 2019.

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.

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

Place : New Delhi
Dated : 29th May, 2018

(Rakesh Mundra)
Company Secretary

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	Mr. Satya Prakash Gupta
Date of Birth	02.07.1969	01.07.1954
Date of Appointment	01.10.1994	29.05.2018
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 Chemical Engineer from HBTI Kanpur has been in the service of your Company since 2013, and had held senior positions in Production and Operations of your company, prior to his appointment as Director (Operations).
Qualifications	BBA London	BSc Engineering
List of other companies in which directorship held as on 31.3.2018	1) Vigar Enterprises Limited 2) Pasupati Advanced Films Limited	1) Pasupati Advanced Films Ltd. 2) Multimax Asset Reconstruction Pvt.Ltd.
Chairman /Member of the committee of other public companies on which individual is a director as on 31.3.2018	Nil	Nil
No of shares held in the Company as on 31.3.2018	1202422	3500
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 31st March, 2018.

FINANCIAL RESULTS

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

	2017-18	(Rs./ Crores) 2016-17
Sales (Gross) & Other Income	584.18	509.95
Profit before Interest & Depreciation	60.07	71.05
Finance Cost	4.64	5.73
Depreciation	5.24	6.86
Profit before Taxes	50.19	58.46
Tax Expenses for the year :—		
- Current Tax	12.13	19.76
- Deferred Tax Liability /(Assets)	3.54	(0.93)
Less: Exceptional Items	6.51	5.41
Profit after Taxes	27.81	34.10

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 37429 MT and Sale of 38811 MT during the year under review as against 38918 MT and Sale of 37515 MT respectively during the previous year. The Company posted EBIDTA of Rs. 60.07 and Net Profit of Rs.27.81 Crore as against Rs.71.05 Crore and Rs.34.10 Crore respectively in the previous year.

During the year under review overall business environment remained challenging due to raw material price volatility and dumping of imports. During the year China, Peru and Belarus dumped acrylic fibre into India, which is yet continuing, causing great injury to Indian Acrylic Fibre Industry. The Industry represented to Ministry of Commerce and Industry for imposing anti-dumping duty on imports from these countries but Ministry somehow turned down the same.

During Current Year also it is expected that imports from these countries will continue to soar, unless the Government takes pro-active measures, domestic industry would continue to suffer.

INTEGRATED CPP FILM PROJECT

During the year under review the project was commissioned, it started commercial production w.e.f. 01.09.2017. Gradually Sales and Production is picking up, the Company's product is well accepted in the Market.

CDR EXIT

As reported last year, recompense amount to be paid to respective banks upon approval from CDR EG/Core group, which is yet awaited. Based on discussions with Lead Bank, the Company provided Rs. 15 Crore towards recompense amount.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ACRYLIC FIBRE

a) Industry Structure and Development

The Demand of Acrylic Fibre during the year remained at same level as of previous year but due to dumping of acrylic fibre by Countries listed above the production of domestic industry suffered. Company's production for the year under review reduced to 37429 MT as compared to 38918 MT in the previous year.

DIRECTORS' REPORT (Contd.)



b) Opportunities and Threat

The raw material to produce Acrylic Fibre is crude derived. The movement in crude affects the raw material prices, but due to demand - supply scenario during the year under review prices of raw material were on the rise, despite of the fact the crude moved in a narrow band. Since Company is dependent upon imports the fluctuation in foreign exchange i.e. USD vs. INR has a bearing on the margin of the Company.

c) 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. The Company is giving thrust on increasing the exports so that effect can be mitigated.

CPP FILM

a) Industry Structure and Development

There is intense competition among CPP Film manufacturers in the country. The Company has installed German / English machinery which will ensure quality product. The Industry is growing at 7- 8% Per Annum.

b) Opportunities and Threat

The raw material to produce CPP film is available locally/ imported. Since the raw material is crude derived as such fluctuation in crude may affect the raw material price.

c) Risk and Concern

Since raw material is crude derived as such movement either side shall affect the raw material price. To mitigate the effect the Company intends to do long term contracts with suppliers.

SEGMENTWISE / PRODUCTWISE PERFORMANCE

The Company operates in Acrylic Fibre and CPP Film manufacturing, the segment / product wise information is given.

DIRECTORS

As per terms and conditions of appointment, Mr. Vineet Jain retire by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment

Mr. Satya Prakash Gupta, presently Chief Executive (Works), is appointed as Director (Operations) w.e.f 29.05.2018. His appointment needs to be confirmed at the forthcoming Annual General Meeting.

Mr. Rakesh Mundra, Director (Finance) retired on 31.05.2018, your directors placed on record their appreciation for the valuable services by Mr. Mundra during his tenure.

All independent Directors have declared that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 40 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with Stock Exchanges.

INDEPENDENT DIRECTORS:

Mr. D.K. Kapila, Shri S.C. Malik, Mr. S. Sathyamoorthy and Mrs. Soma Garg, Independent directors of the Company have submitted their disclosures to the Board that they fulfill all requirements as stipulated in Section 149(6) of the Companies Act, 2013 and read with the relevant rules.

KEY MANAGERIAL PERSONNEL

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Vineet Jain, Managing Director, Mr. Satya Prakash Gupta, Director (Operations) and Mr. Satish Kumar Bansal, Chief Financial Officer, are the Key Managerial Personnel of the Company.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Nomination and Remuneration Policy is stated in the Corporate Governance Report.