



PREMIER POLYFILM LTD.

ANNUAL REPORT 2014-2015



BOARD OF DIRECTORS

Shri Jaspal Singh Marwah
Shri Kamlesh Kumar Sinha
Shri Manoj Kumar Gupta
Smt. Rashmee Singhania
Shri S.P. Jain - *Executive Director*
Shri Amitaabh Goenka – *Executive Director*
Shri Amar Nath Goenka - *Managing Director*

COMPANY SECRETARY

Shri N.K. Bhandari

AUDITORS

De & Bose
Chartered Accountants
8/2, Kiran Sankar Roy Road,
2nd Floor, Room No. 1 & 18,
Kolkata - 700 001

BANKERS

Kotak Mahindra Bank Limited
Chandni Chowk, Delhi - 110006

REGISTERED OFFICE

Flat No. 305, III Floor, Elite House,
36, Community Centre,
Kailash Colony Extension (Zamroodpur),
New Delhi - 110 048

HEAD OFFICE & FACTORY (UNIT I)

40/1A, Site IV,
Sahibabad Industrial Area,
Sahibabad, Ghaziabad - (U.P.) 201010

UNIT II

A-13, Sikandrabad Industrial Area,
Sikandrabad, District - Bulandshahr, (UP)

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukh Das Mandir,
New Delhi - 110062

ISIN NUMBER : INE 309M01012

**E-VOTING : Central Depository Services
(India) Ltd. (CDSL)**

CIN NO. L25209DL1992PLC049590

CONTENTS

Page No.

Notice	3
E-Voting Instructions	5
Directors' Report	9
Auditors' Certificate on Corporate Governance	37
Auditors' Report	39
Balance Sheet	43
Statement of Profit & Loss Account	44
Cash Flow Statement	45
Significant Accounting Policies	46
Notes on Accounts	47
MPCU Shah Auditorium Road Map	60
Proxy Form	61
Attendance Slip	63



NOTICE

Notice is hereby given that the **Twenty Third Annual General Meeting** of Premier Polyfilm Ltd. will be held on **Monday, the 21st day of September, 2015 at 12.30 P.M.** at Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi 110 054 to transact the following business:

ORDINARY BUSINESS:

- 1) To consider and adopt the Balance Sheet of the Company as at 31st March, 2015, the Profit & Loss Account for the period from 1st April, 2014 to 31st March, 2015 and the reports of Auditors' and Directors' thereon.
- 2) To appoint a Director in place of Shri Amitaabh Goenka (holding DIN 00061027), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To consider and, if thought fit, to pass the following resolution with or without modification(s), as an **ordinary resolution**.

"RESOLVED THAT M/s. De & Bose, Chartered Accountants (Firm Registration No. 302175E), the retiring Auditors of the Company be and are hereby reappointed as auditor of the company to hold such office until the conclusion of the Annual General Meeting of the Company to be held in the year 2017 at remuneration to be fixed by Shri Amar Nath Goenka, Managing Director of the Company."

SPECIAL BUSINESS:

- 4) To consider and, if thought fit, to pass with or without modification, the following resolution as an **ordinary Resolution** :

"RESOLVED that Smt. Rashmee Singhania (holding DIN 06969599), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13th February, 2015, in terms of Section 161(1) of the Companies Act, 2013 and Article 89 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as Independent Director of the Company under the provisions of Section 149(10), 152(5) and all other applicable provisions, if any, of the Companies Act, 2013 for a period of five (5) years upto 12th February, 2020."

- 5) To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, Article 116 of the Company and subject to the limits specified in Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of Shri S. P. Jain (holding DIN 00069268) as a Whole-time Director of the Company designated as "Executive Director" for a period of three (3) years effective from 1st April, 2016.

"RESOLVED THAT in accordance with the provisions of the Companies Act, 2013 and in accordance with the provisions as contained in Schedule V (Part I) (c) of the Companies Act, 2013, the Company hereby accords its approval by way of Special resolution to the continuous appointment of Shri S P Jain, Executive Director of the company till 31-03-2019 i.e. even after attaining the 70 years of age on 30-01-2016.

"RESOLVED that remuneration including perquisites payable to Shri S. P. Jain, Executive Director, shall be as under:

(A) REMUNERATION

(i) Salary :-

The Executive Director shall be paid Rs. 81,000/- (Rupees Eighty One Thousand only) as basic salary per month in pay scale of Rs. 81,000/- Rs. 1,00,000/- with annual increment as may be decided by the Nomination and Remuneration Committee and the Board of the Directors of the Company.

(ii) Perquisites:-

In addition to (i) above, the Executive Director shall be entitled to following perquisites:

(a) House Rent Allowance:-

The Executive Director shall be paid House Rent Allowance @30% of the Basic Salary per month.

(b) Payment against Employees Provident Fund contribution:-

The Executive Director shall be entitled to contribution to Provident Fund/ Superannuation Fund or Annuity as applicable to the senior officers of the Company.



PREMIER POLYFILM LTD.

(c) Conveyance:-

The Executive Director shall be provided with the facility of company car.

(d) Reimbursement of Medical Expenses:-

The Executive Director shall be provided with the facility of reimbursement of actual medical expenses incurred by him & his family subject to a maximum of 8.33% of basic salary in a year and can be accumulated for a period of three years.

(e) Leave Travel Assistance:-

The Executive Director shall be provided with the facility of reimbursement of actual fare but not hotel expenses incurred by him for himself and his wife and dependent children once in two years subject to maximum of one months basic salary.

(f) Telephone Expenses:-

The Executive Director shall be paid telephone expenses on actual basis against telephone connection installed at his residence.

In addition to this he shall be provided with a cell phone on actual expenses basis.

(g) Leave and Gratuity :-

The Executive Director will be also entitled to Leave/Leave Encashment and Gratuity as per rules of the Company and payable to senior officers of the Company.

(B) OVERALL REMUNERATION :-

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under the provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and Rules made thereunder to the said act as may be applicable for the time being in force.

(C) MINIMUM REMUNERATION :-

In the event of loss or inadequacy of profits, the Executive Director shall be paid the same salary as mentioned in para (A)(i) above and he shall also continue to enjoy all the perquisites an mentioned in para (A)(ii) above.

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-

N.K.BHANDARI
COMPANY SECRETARY

Place : New Delhi

Date : 15/05/2015

Regd. Office:

'305, III Floor,'Elite House', 36, Community Centre,

Kailash Colony Extension (Zamroodpur), New Delhi-110048

CIN : L25209DL1992PLC049590

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of The Companies Act, 2013 in respect of item numbers 4 and 5 set out in the Notice is annexed hereto and form part of the Notice.
2. A Member entitled to attend and to vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the company. Proxy form should 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 a 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 15-09-2015 to 21-09-2015 (both days inclusive).
4. Brief resume of Director(s) including those proposed to be reappointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between director 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/Directors Report. The details for re-appointment of retiring directors are given in Annexure "V" forming part of Notice for Annual General Meeting.
5. As a measure of economy copies of Annual Reports will not be distributed at the Meeting. Members may please bring their own copies of the Annual Report to the Meeting.



PREMIER POLYFILM LTD.

6. The Securities & Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participants. Members holding shares in Physical Form shall submit their PAN details to the RTA/company.
7. If a Member desires information on accounts, such request may please be made in writing so as to reach the company at least 7 (seven) days before the Meeting.
8. The voting by "Ballot Paper" facility will be available at the venue of the Annual General Meeting upto 12.30 P.M. However, this facility will be available only to those Shareholders who have not casted their vote through remote E-voting system.
9. **MEMBERS ARE REQUESTED TO PROVIDE THEIR RESPECTIVE EMAILS SO AS TO ENABLE COMPANY TO SEND ANNUAL REPORTS BY EMAIL.**

By order of the Board
for PREMIER POLYFILM LTD.

Place : New Delhi
Date : 15/05/2015

Regd. Office:

'305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590

Sd/-
N.K.BHANDARI
COMPANY SECRETARY

E-VOTING

Voting through electronic means (E-Voting):

- A In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement, the Company is pleased to provide the facility of voting through electronic means to its members. Members of the Company can transact all the items of the businesses with the facility of voting through electronic means as contained in the notice of the meeting through remote e-Voting Services provided by Central Depository (Services) India Limited (CDSL).

The facility for voting, either through electronic voting system or ballot or polling paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. Abhishek Mittal of M/s Abhishek Mittal & Associates, Practicing Company Secretaries, New Delhi who in the opinion of the Company is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated scrutinizer's report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and shall declare the result of the voting forthwith.

The cut-off date i.e. date not earlier than seven days before the date of General Meeting for determining the eligibility to vote by electronic means or in the General Meeting shall be 14th September, 2015.

A member whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e voting as well as voting in the General Meeting.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Friday, 18th September, 2015 at 09.30 A.M. and ends at on Sunday, 20th September, 2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th September, 2015, 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 & 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"> ▪ 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 in the PAN field. Sequence number is printed on address sticker. ▪ 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
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"> ▪ 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).

- (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 EVSN for the Premier Polyfilm Ltd. 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.
- (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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the 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) 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.



PREMIER POLYFILM LTD.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian if any, should be uploaded in PDF format in the system for the scrutinizer at abhishehcs21@gmail.com to verify the same.
- (i) Any person, who acquires shares of the company and becomes Members of the company after dispatch of the Notice and holding shares as on cut- off date i.e. 14 September, 2015 may follow the same instructions as mentioned above for e-voting.
- (ii) 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 of write an email to helpdesk.evoting@cdslindia.com

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-
N.K.BHANDARI
COMPANY SECRETARY

Place : New Delhi
Date : 15/05/2015

Regd. Office:
305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 4

Smt. Rashmee Singhania was appointed as an Additional Director of the company by the Board of Directors of the company in their Meeting held on 13-02-2015 under the category of Independent Director of the Company upto the ensuing Annual General Meeting. As such she ceased to be Director on the Board of the Company after conclusion of the ensuing Annual General Meeting. However, the Company has received a notice in writing along with a deposit of Rs. 1,00,000/- (Rupees One Lac only) in terms of Section 160 of The Companies Act, 2013, from a Member signifying the intention to propose the candidature of Smt. Rashmee Singhania for the office of Independent Director. In line with provision of Section 149(10) of the Companies Act, 2013, Smt. Rashmee Singhania is proposed to be appointed as Independent Director upto 12.02.2020. Smt. Rashmee Singhania has also given her consent to act as Independent Director upto 12.02.2020.

The Board determined that Smt. Rashmee Singhania is a fit and proper person to be appointed as Independent Director on the Board of the Company. Pursuant to proviso to Section 152(5) of the Companies Act, 2013, the Board also determined that, Smt. Rashmee Singhania, fulfills the conditions as specified in the Companies Act, 2013 with respect to her appointment as Independent Director and she is Independent of the Management. Pursuant to proviso to Section 152(4) and 149(6) of the Companies Act, 2013 Smt. Rashmee Singhania has given her declaration and has confirmed that she has not been convicted of any offence in connection with the promotion, formation and/or management of any company or LLP and has not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law in the last five years and that her total directorship in all companies shall not exceed the prescribed number of companies in which a person can be appointed as a director. The shareholding of Smt. Rashmee Singhania in the company is Nil.

Smt. Rashmee Singhania is 38 years old and holds graduation degree. She has more than 16 years of experience in business and trade.

In the opinion of the Board of Director of the Company Smt. Rashmee Singhania is a person of integrity and possess relevant expertise and experience for the appointment of Director on the Board of Directors of the Company.

The Board considers it desirable that the Company should continue to avail itself of the services of Smt. Rashmee Singhania as an Independent Director and accordingly commends the Resolution at Item No. 4 as an Ordinary Resolution for approval by the Members

No Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution number 4 of the Notice except Smt. Rashmee Singhania.



PREMIER POLYFILM LTD.

Item No. 5

Shri S. P. Jain has been continuing as Director as well as Executive Director of the Company since 26-06-2004 and his last reappointment as Executive Director was approved by the Shareholders in the 20th Annual General Meeting held on 24th August, 2012 for a period of three years effective from 01-04-2013 at a remuneration of Rs.57,000/- (Rupees Fifty Seven Thousand only) in the pay scale of Rs.57,000/- - Rs. 80,000/- per month as basic salary plus perquisites admissible under Schedule XIII to the Companies Act, 1956.

The present term of Shri Jain expires on 31/03/2016. The next Annual General Meeting of the company would be held by September, 2016 i.e. after the term of Shri Jain expires. It is proposed to reappoint Shri Jain as Executive Director for a further period of three years with effect from 01/04/2016 under Schedule V to the Companies Act, 2013. Shri S P Jain would attain the age of 70 years on 30-01-2016 and as per provisions of Schedule V (Part I) (c) of the Companies Act, 2013 any body can hold office of full time director upto the age of 70 years without permission of the Central Government. However, this age limit can be relaxed and no further permission of the Central Government is required if the Shareholders of the company pass a Special Resolution approving such appointment in their General Meeting. It is, therefore, proposed to pass the Special Resolution approving reappointment of Shri S. P. Jain as Executive Director for a further period of three years on the Terms and Conditions as specified in the Notice of the Twenty Third Annual General Meeting and even after attaining the age of 70 years on 30-01-2016. The Board of Directors of the company have approved reappointment of Shri S. P. Jain for another three years i.e. upto 31/03/2019 in their Meeting held on 15/05/2015 on the recommendation of the Nomination and Remuneration Committee subject to approval by the Members of the company in the ensuing Annual General Meeting. The shareholding of Shri S P Jain in the company is Nil.

Shri S.P. Jain is 69 years old and holds University Degree. Shri S.P. Jain has over 47 years of experience as Executive and hence the salary and perquisites proposed to provide to him are considered reasonable. Further the remuneration and perks given in the Notice convening the Twenty Third Annual General Meeting are within the prescribed limits of Schedule V of the Companies Act, 2013. The reappointment of Shri S.P. Jain as Executive Director and terms of his reappointment are subject to approval of the shareholders. Therefore, it is proposed to reappoint Shri S. P. Jain as Executive Director before the expiry of his term on 31/03/2016.

Shri S P Jain is members of Share Transfer Committee, Audit Committee and Stakeholders Relationship Committee.

The Nomination and Remuneration Committee has recommended reappointment of Shri S. P. Jain as Executive Director for a period of three years on the basic salary and perquisites effective from 01-04-2016 as given in the Notice for the Twenty Third Annual General Meeting.

The Board of Directors recommends the adoption of the resolution as a Special Resolution at item number 5 of the Notice.

No Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution number 5 of the Notice except Shri S P Jain.

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-
N.K.BHANDARI
COMPANY SECRETARY

Place : New Delhi
Date : 15/05/2015

Regd. Office:
'305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590

**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors present the **Twenty Third Annual Report** together with Audited Accounts for the year ended on 31st March, 2015.

FINANCIAL RESULTS**(Rs. In Lacs)**

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Sales & Other Income	9289	9,024
Operating profit before providing for interest & Depreciation	644	578
Less :		
Interest	82	96
Depreciation	<u>149</u>	<u>154</u>
Net Profit before taxation	413	328
Less :		
Tax Expenses		
Current tax	170	74
Deffered tax	(30)	(39)
Net Profit after tax	273	293
Basic and diluted earning per share	1.30	1.40
Face value per equity Share	5.00	5.00

COMPANY'S PERFORMANCE

During the period under review your company produced 12,503 M.T. of PVC flooring, Sheetings, Films etc. as against 12,478 M.T. produced during the previous year, achieving a capacity utilization of 77.18 % as compared to around 77.02% in the previous year. The Company could achieve higher capacity utilization but for depressed demand for products due to current recession could not achieve the same. Sales and Income during the year under review was Rs.9289 Lacs against Rs.9024 Lacs during last year thereby posting an increase of around 3%. Profit before tax during 2014-2015 was Rs. 413 Lacs against Rs.328 Lacs during the year 2013-2014. However, net profit of the company after tax was for Rs.273 Lacs against Rs.293 Lacs during last year. The main reason of decline in Net profit was due to higher tax paid by the company in the year under review.

DIVIDEND

Due to inadequacy of distributable cash, the Directors of your company are unable to recommend any Dividend for the year 2014-15.

QUALITY CONTROL

Your Company continues to hold prestigious ISO 9001:2008 certification for quality as manufacturer and exporter of PVC products namely Marbled (Contract), Printed and Technical Flooring, Leather Cloth, Sheeting, Humidity Barrier and Geo Membrane. Bureau of Indian Standards has granted BIS certification Mark ISI for Unbacked Flexible PVC Flooring, Sheets or rolls and tiles for 1.5 mm and 2.00 mm thickness vide ISO No. 3462:1986.



NEW PROJECT

As intimated in the Last Directors' Report the new project of the company to manufacture Soft Touch Cushion type of Artificial PVC Leather cloth, PVC Sheetings and Films, Knitted Fabric etc is under final stage of implementation. The necessary permissions, Electric Connection etc. have been given by the appropriate authorities. The trial runs are expected soon and company hope for commercial production to commence in the coming quarter of the financial year. There has been cost overrun and the company is planning to find means to meet the cost overrun. Once the commercial production is commenced the new unit will start generating additional profits for the company. Presently the Company is facing shortage of Term Loans and Working Capital Facilities for the new project.

FUTURE PROSPECTS

Despite facing tough competition from imported finished goods, the products of your company are well received in the market and the market will not be a constraint. Kotak Mahindra Bank Limited has also sanctioned and disbursed Working Capital Facilities and Term Loan to the company. The Company is facing limitation of Term Loans and Working Capital Facilities. Upon availability of which company expects to do well in future.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report which forms part of the Directors' Report

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Companies Act, 2013 the extract of Annual Return is given in **Annexure "I"** in the prescribed **Form MGT-9** which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors state:-

- (I) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- (II) That your Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period ;
- (III) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for the assets of your company and for preventing and detecting fraud and other irregularities ;
- (IV) That your Directors have prepared the annual accounts on a going concern basis ;
- (V) That the directors have laid down proper internal financial controls which are followed by the company and that such internal financial controls are adequate and were operating effectively ; and
- (VI) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY POLICY

The Corporate Social Responsibility Policy has not been adopted by the company as the company does not meet the criteria as provided under Section 135(1) of the Companies Act, 2013 and Rules made thereunder as on 31st March, 2015.