

**PREMIER
POLYFILM
LTD.**

ANNUAL REPORT 2015-2016



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	6
Directors' Report	9
Auditors' Certificate on Corporate Governance	37
Auditors' Report	38
Balance Sheet	44
Statement of Profit & Loss Account	45
Cash Flow Statement	46
Significant Accounting Policies	47
Notes on Accounts	48
MPCU Shah Auditorium Road Map	61
Proxy Form	62
Attendance Slip	64



NOTICE

Notice is hereby given that the **Twenty Fourth Annual General Meeting** of Premier Polyfilm Ltd. will be held on **Monday, the 26th day of September, 2016 at 10.30 A.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, 2016, the Profit & Loss Account for the period from 1st April, 2015 to 31st March, 2016 and the reports of Auditors' and Directors' thereon.
- 2) To declare Dividend for the year ended 31st March, 2016.
- 3) To appoint a Director in place of Shri S P Jain (holding DIN 00069268), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To consider and, if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of De & Bose, Chartered Accountants (Firm's Registration No.302175E) as Auditors of the Company till the conclusion of Annual General Meeting to be held in the year 2017, which was subject to ratification at every Annual General Meeting be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the year 2017, at such terms and conditions including remuneration as may be decided by Shri Amar Nath Goenka, Managing Director of the Company."

SPECIAL BUSINESS:

- 5) To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary 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 Amitabh Goenka (holding DIN 00061027) as a Whole-time Director of the Company designated as "Executive Director" for a period of three (3) years effective from 1st November, 2016.

RESOLVED FURTHER THAT remuneration including perquisites payable to Shri Amitabh Goenka, Executive Director, shall be as under:

(A) REMUNERATION

(i) Salary :-

The Executive Director shall be paid Rs.1,50,000/- (Rupees One Lac Fifty Thousand only) as basic salary per month in pay scale of Rs. 1,50,000/- Rs. 3,00,000/- 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.



(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 month's 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 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 as mentioned in para (A)(ii) above"

- 6) 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 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any Member by the company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other specific mode as may be desired by a Member, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents alongwith handling charges and conveyance charges as may be incurred by the Company pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Director of the Company, be and is hereby authorized to fix charges per request for delivery of the documents from time to time and to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid from time to time and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-

N.K.BHANDARI
COMPANY SECRETARY
ACS 290

Place : New Delhi
Date : 21/07/2016
Regd. Office:
305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi-110048
CIN : L25209DL1992PLC049590



PREMIER POLYFILM LTD.

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of The Companies Act, 2013 in respect of item numbers 5 and 6 are 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 **20th September, 2016 to 26th September, 2016 (Both days inclusive) for the purpose of Annual General Meeting and to determine eligible Shareholders for the payment of Dividend.** The dividend on equity shares, as recommended by the Board of Directors, subject to the approval of Members in the Annual General Meeting, will be paid on or before **25th October, 2016** to the Members or their Mandates whose name appear in the Company's Register of Members **on 19th September, 2016** in respect of physical Shares and in respect of Dematerialized Shares, the dividend will be payable to the beneficial owner of the shares whose name appear in the statement of beneficial ownership furnished by NSDL and CDSL at close of business hours **on 19th September, 2016.**
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 directors(s) 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.
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 and should reach the Registered office of the company office at least seven (7) days before the Meeting.
8. The voting facility will be available at the venue of the Annual General Meeting upto 10.30 A.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.

Sd/-

N.K.BHANDARI
COMPANY SECRETARY
ACS 290

Place : New Delhi
Date : 21/07/2016
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 5

Shri Amitabh Goenka has been continuing as Director as well as Executive Director of the Company since 1st Novemebr,2010 and his last reappointment as Executive Director was approved by the Shareholders in the Twenty First Annual General Meeting of the company held on 6th September,2013 for a period of three years effective from 1st Novemebr,2013 at a remuneration of Rs.70,000/- (Rupees Seventy Thousand only) in the pay scale of Rs.70,000/- Rs.1,50,000/- per month as basic salary plus perquisites admissible under Schedule XIII to the Companies Act,1956.



PREMIER POLYFILM LTD.

The present term of Shri Amitaabh Goenka expires on 31/10/2016. The ensuing Annual General Meeting of the company would be held about one month before the term of Shri Goenka expires. It is proposed to reappoint Shri Goenka as an Executive Director for a further period of three years with effect from 01/11/2016 under Schedule V to the Companies Act, 2013. It is, therefore, proposed to pass the Ordinary Resolution approving reappointment of Shri Amitaabh Goenka as an Executive Director for a further period of three years on the Terms and Conditions as specified in the Notice of the Twenty Fourth Annual General Meeting. The Board of Directors of the company have approved reappointment of Shri Amitaabh Goenka for another three years i.e. upto 31/10/2019 in their Meeting held on 27/05/2016 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 Amitaabh Goenka as on 31/03/2016 in the company is 2451575 (11.70%).

Shri Amitaabh Goenka is 45 years old and holds Degree in Commerce. He has more than 23 years of experience in industry 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 Fourth Annual General Meeting are within the prescribed limits of Schedule V of the Companies Act, 2013. The reappointment of Shri Amitaabh Goenka as Executive Director and terms of his reappointment are subject to approval of the shareholders. Therefore, it is proposed to reappoint Shri Amitaabh Goenka as Executive Director before the expiry of his term on 31/10/2016.

Shri Amitaabh Goenka is also Director on the Board of M/s D L Millar & Company Limited, M/s Joemillar Aquatek India Private Limited, M/s Kay Ess Polymers Limited, proprietor of M/s 1000 Plus Inc and partner in M/s G B & Company.

The Nomination and Remuneration Committee has recommended reappointment of Shri Amitaabh Goenka as Executive Director for a period of three years on the basic salary and perquisites effective from 01-11-2016 as given in the Notice for the Twenty Fourth Annual General Meeting. The disclosure under Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided at Annexure "V" of this Notice.

The Board of Directors recommends the adoption of the resolution number 5 as an Ordinary Resolution.

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 Amitaabh Goenka himself and Shri Amar Nath Goenka being father of Shri Amitaabh Goenka.

Item No. 6

As per the provisions of Section 20 of the Companies Act, 2013, a Member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight, its destination etc. and also rates as may be fixed by the Indian Postal authorities from time to time, therefore, it is proposed that the Board of Directors of the Company be authorised to receive actual expense borne by the Company alongwith handling charges and conveyance charges as may be incurred by the Company in lump-sum pursuant to any request made by any member of the company for such dispatch will be paid in advance by the Member who sends such request to the company.

The Board recommends the resolution at item number 6 for the approval of the Shareholders as an ordinary resolution.

No Director of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

By order of the Board
for PREMIER POLYFILM LTD.

Place : New Delhi
Date : 21/07/2016
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
ACS 290

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).



PREMIER POLYFILM LTD.

- B. 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 Ms. Rekha Mittal, Practicing Company Secretary, having membership Number-A20751 and CP Number-10180 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 **19th September, 2016**.

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, **23rd September, 2016** at 09.00 A.M. and ends at on Sunday, 25th September, 2016 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 **19th September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form & Physical Form		
PAN		Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	•	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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		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.
OR Date of Birth (DOB)	•	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 (iv).



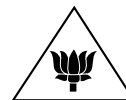
PREMIER POLYFILM LTD.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Premier Polyfilm Ltd. on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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.
 - The list of accounts linked in the login 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 to verify the same.
- (xx) 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.

S/-
N.K.BHANDARI
COMPANY SECRETARY
ACS 290

Place : New Delhi
Date : 21/07/2016
Regd. Office:
305, III Floor, 'Elite House', 36, Community Centre,
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CIN : L25209DL1992PLC049590

**PREMIER POLYFILM LTD.****DIRECTORS' REPORT TO THE MEMBERS**

Your Directors present the Twenty Fourth Annual Report together with Audited Accounts for the year ended on 31st March, 2016.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Sales & Other Income	10,577	9,289
Operating profit before providing for interest & Depreciation	1026	644
Less :		
Interest	196	82
Depreciation	267	463
Net Profit before taxation	563	231
Less :		
Tax Expenses		
Current tax & Deferred Tax	187	140
Net Profit after tax	376	273
Basic and diluted earning per share	1.79	1.30
Face value per equity Share	5.00	5.00

COMPANY'S PERFORMANCE

During the period under review commercial production of new plant commenced and hence installed capacity was enhanced from existing 16,200 M.T. PA to 20,700 M.T. PA. During the period under review your company produced 13,903 M.T. of PVC Flooring, Sheetting, Film, Soft Touch Cushion Type Artificial PVC Leather Cloth, Knitted Fabric etc. as against 12,503 M.T. produced during the previous year, achieving a capacity utilization of 67.16 % as compared to around 77.18% 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 Other Income during the year under review was Rs.10,577 Lacs against Rs.9,289 Lacs. Profit before tax during 2015-2016 was Rs. 563 Lacs against Rs.413 Lacs during the year 2014-2015. However, net profit of the company after tax was for Rs.376 Lacs against Rs.273 Lacs during last year.

DIVIDEND

Encouraged by the performance of the company, The Board of your company is pleased to recommend for your approval dividend @ 0.50 per equity share for the year ended on 31st March,2016.

RESERVES

During the year under review, the Board has transferred an amount of Rs.2,00,00,000 (Rupees Two Crores only) to General Reserves.

SUBSIDIARIES AND ASSOCIATES

As per provisions of the Section 129 and other applicable provisions, if any, of the Companies Act,2013, your company has no Subsidiaries or Associate company.

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, Sheetting, 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.



FUTURE PROSPECTS

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 has commenced commercial production during the year under review. The initial teething problems have been solved. The products of the company are well received in the market. The feed back from the dealers and consumers is very encouraging and they have appreciated the quality of the product. Enquiries were also received from the overseas buyers. M/s Kotak Mahindra Bank Limited sanctioned and disbursed Working Capital facilities and Term Loan. Despite facing tough competition from imported finished goods and excess capacity in domestic market. Your company was able to increase its turnover and generate higher profits during the period under review. Barring unforeseen circumstances, the unit will start generating additional profits for the company in the current financial year in near 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

As Net profit of the Company for the financial year 2015-2016 has been reported more than Rs. 5 Crores for the purpose of applicability of the Corporate Social Responsibility Policy as defined under the provisions of the Companies Act, 2013. The Corporate Social Responsibility Policy (CSR) has become applicable on your Company. The Company will comply with the provisions and conditions of CSR as per provisions of Section 135(1) of the Companies Act, 2013 and Rules made thereunder during the year 2016-2017.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

PARTICULARS OF EMPLOYEES

The informations as required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below :