





FORM A  
Covering Letter of the Annual Report to be filed with BSE

S.NO	PARTICULARS	DETAILS
1.	Name of Company	POLYCON INTERNATIONAL LTD
2.	Annual financial statements for the year ended.	31 <sup>st</sup> MARCH, 2015
3.	Type of Audit Observation.	Un-Qualified Report
4.	Frequency of Observation.	Nil
5.	To be signed by :	
	MANAGING DIRECTOR	 Mr. Lal Chand Baid
	AUDIT COMMITTEE CHAIRMAN	 Mr. Kamal Kumar Bordia
	CFO/ HEAD OF FINANCE	 Mr. Rajiv Baid
	AUDITOR OF THE COMPANY	For A. Natani & Co. Chartered Accountants (Firm Registration No. 07347C)  Ashok Kumar Natani ( Partner ) (Membership No. 74692)

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**24<sup>th</sup> ANNUAL REPORT**  
**2014-2015**

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**POLYCON Internati<sup>o</sup>nal Ltd.**

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<b>CONTENTS</b>	<b>PAGE (No)</b>
• Financial Highlights	2
• Notice	3-6
• Boards' Report & Annexures	7-20
• Management Discussion & Analysis Report	20-21
• Corporate Governance Report	21-27
• Independent Auditors' Report	28-30
• Balance Sheet	31
• Statement of Profit & Loss	32
• Cash Flow Statement	33
• Schedules Annexed to Balance Sheet and Statement of Profit & Loss	34-41
• Proxy Form	43
• Attendance Slip	45

## COMPANY INFORMATION

### Board of Directors

CA L.C. Baid	Chairman & Managing Director
Mr. Rajiv Baid	Executive Director
Mr. Vinod Sacheti	Independent Director (upto 04th August, 2014)
Mrs. Tiyana Sacheti	Independent Director
Mr. Adarsh Singhanian	Independent Director
Mr. Kamal Kumar Bordia	Independent Director

### Board Committees

<b>Audit Committee</b>	<b>Remuneration Committee</b>	<b>Shareholders'/Investors' Grievance Committee</b>
Mr.Kamal Kumar Bordia	Mrs. Tiyana Sacheti	Mr. Adarsh Singhanian
Mr.Adarsh Singhanian	Mr. Adarsh Singhanian	Mr. Rajiv Baid
CA L.C. Baid	Mr.Kamal Kumar Bordia	CA L.C. Baid

### Finance Controller & Company Secretary CS Gajanand Gupta

#### Auditors

A.Natani & Co.  
Chartered Accountants  
6-7, Samod Tower, 2nd Floor  
Dudu Bagh, S.C. Road,  
JAIPUR-302001.

#### Secretarial Auditors

JAKS & Associates,  
Company Secretaries,  
AB-162, Vivekanand Marg,  
Nirman Nagar, Ajmer Road,  
JAIPUR-302019.

#### Bankers

Indian Overseas Bank  
State Bank of Bikaner & Jaipur  
Bank of Baroda

### Registered Office

Rotary Bhawan, Church Road, M.I. Road, Jaipur-302 001  
Tel. : 0141-2363048, 2363049, Fax : 91-141-2377046  
e-mail : guptag@polycon.in CIN : L28992RJ1991PLC006265  
Website : polyconltd.com

### Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.  
44, Community Centre  
Naraina Industrial Area Phase-I  
NEW DELHI-110 028

### Works

Unit I - F-11, Hirawala Industrial Area, P.O. Kanota, Jaipur-303 012  
Unit II - F-97,98,99 & G-96, Hirawala Industrial Area, P.O. Kanota, Jaipur-303 012  
Unit-III - Plot No. F-954(A) Chopanki Industrial Area, Bhiwadi-301 019  
Unit-IV - Plot No. 17, Sector-4, IIE, SIDCUL, Pantnagar-263153, Uttrakhand

## TEN YEARS FINANCIAL HIGHLIGHTS (2006-2015)

(Amount Rs. in Lac)

Particulars	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>PROFIT &amp; APPROPRIATIONS</b>										
Sales & Other Income	2404.26	2712.03	2929.65	3432.23	3678.89	3085.02	3972.56	3952.83	4409.69	3858.92
Profit Before Depreciation & Tax	170.56	179.74	191.34	229.34	266.81	170.63	189.50	138.46	146.82	155.43
Depreciation	139.29	139.37	160.30	188.64	218.43	134.62	146.75	123.39	108.71	120.54
Profit before Tax	31.27	40.37	31.04	40.70	48.38	36.01	42.75	15.07	38.11	34.89
Taxation	-6.02	15.01	14.60	15.53	15.43	10.01	12.50	6.30	11.11	10.05
Profit after Tax	37.29	25.36	16.44	25.17	32.95	26.00	30.25	8.77	27.00	24.84
Dividend	-	-	-	-	-	-	-	-	-	-
Earning per Share	0.76	0.52	0.33	0.51	0.67	0.53	0.62	0.18	0.55	0.51
<b>ASSETS EMPLOYED</b>										
Fixed Assets Gross	2370.52	2909.34	3272.76	3426.87	3746.15	3083.40	3254.07	3330.08	3528.37	3639.11
Depreciation	1667.43	1777.41	1920.74	2103.41	2318.23	2269.75	2416.50	2357.15	2438.54	2556.08
Net	703.09	1131.93	1352.02	1323.46	1427.92	813.65	837.57	972.93	1089.83	1083.03
Capital work in progress	-	120.70	-	-	6.48	-	4.48	-	61.33	41.49
Investment	20.82	21.04	21.04	21.04	21.04	1.04	5.98	5.98	5.55	5.55
Net Current Assets	1070.63	1254.93	1439.10	1385.97	1521.39	1214.86	1445.74	1770.21	2085.10	1604.25
Miscellaneous Expenditure	26.35	16.14	12.27	8.40	4.52	0.65	1.28	1.28	1.02	0.00
	<b>1820.89</b>	<b>2544.74</b>	<b>2824.43</b>	<b>2738.87</b>	<b>2981.35</b>	<b>2030.20</b>	<b>2295.05</b>	<b>2750.40</b>	<b>3242.83</b>	<b>2734.32</b>
<b>FINANCED BY</b>										
Equity Shares	543.55	543.55	543.55	543.55	543.55	543.55	543.55	543.55	543.55	543.55
Reserves & Surplus	243.55	256.68	273.13	298.29	331.24	43.00	73.25	82.02	109.03	131.18
Loan Funds	995.38	1700.69	1955.72	1842.73	2051.43	1418.33	1653.93	2102.05	2565.87	2038.66
Deferred Tax Liability	38.41	43.82	52.03	54.30	55.13	25.32	24.32	22.78	24.38	20.93
	<b>1820.89</b>	<b>2544.74</b>	<b>2824.43</b>	<b>2738.87</b>	<b>2981.35</b>	<b>2030.20</b>	<b>2295.05</b>	<b>2750.40</b>	<b>3242.83</b>	<b>2734.32</b>

## NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of **POLYCON INTERNATIONAL LIMITED** will be held at Rotary Bhawan, Church Road, M.I. Road, Jaipur - 302 001, Rajasthan the Registered Office of the Company, on Wednesday, the 30th Day of September, 2015 at 1.00 P.M., to transact the following business :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2015, and the Reports of Board and the Auditors thereon.
2. To appoint a Director in place of Shri Rajiv Baid (DIN: 00212265), who retires by rotation and is eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. A.Natani & Co. (Firm Registration No. 07347C), Chartered Accountants, be and are hereby re-appointed as Auditors of the Company to hold office for the term of two years from the conclusion of this Annual General Meeting until the conclusion of the Twenty Sixth Annual General Meeting in year 2017 subject to ratification as to the said appointment at every Annual General Meeting at a remuneration as shall be fixed by the Board of Directors of the Company".

### SPECIAL BUSINESS

4. 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 Sections 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 Shri Kishore Chand Bhandari, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all the acts, deeds and things as may be required in this regard to give effect to this resolution."

Place: Jaipur

By order of the Board

Date : 13.08.2015

CS Gajanand Gupta  
Finance Controller &  
Company Secretary

### NOTES :

1. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 IN RELATION TO THE SPECIAL BUSINESS OF THE MEETING IS ANNEXED HERETO AND FORMS PART OF THIS NOTICE.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING

A person can act as a proxy on behalf of not more than 50(fifty) members and holding in aggregate not more than 10(ten) percent of total share capital of the company. A member holding more than 10(ten) percent of the total share capital of the company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy form is annexed to this report.

3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
5. Members desirous of getting any information on the accounts or operations of the company are requested to write to the Company at least seven days before the date of meeting to enable the company to furnish the required information at the meeting.
6. The Register of Members and Share Transfer Books will remain closed from 25th day of September, 2015 to 30th day of September, 2015 (both days inclusive).
8. Shareholders are requested to please bring their attendance slips together with their copies of annual report at the meeting.
9. Information of Director seeking appointment at the forth coming Annual General Meeting pursuant to Clause 49 of the Listing Agreement are as under :-

Name of Director	Date of Birth	Date of original appointment	Expertise in specific functional areas	Qualification	Directorship in other Public Limited Companies incorporated in India	Other information	Remarks
Sh. Rajiv Baid	17.10.1961	01.08.1997	Marketing & Sales Management	B.Com	—	Presently designated as Executive Director. Relative of CA L.C. Baid, Managing Director	Retires by rotation at the forthcoming Annual General Meeting & being eligible offers himself for re-appointment.
Sh. Kishore Chand Bhandari	14.08.1946	Seeking appointment in ensuing AGM	25 Years in Business	B.com	—	—	Received candidature for appointment as Non-Executive Director at the ensuing Annual General Meeting

10. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
12. For shares in physical form, shareholders can register their e-mail address with the Company at polycon@polycon.in mentioning their name(s) and folio no(s).
13. In case of Joint Holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rules of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by remote e-voting and all the businesses may be transacted through remote e-Voting Services provided by Central Depository Services (India) Limited. (CDSL)
15. Mr. B K Sharma, Practicing Company Secretaries (Membership No. FCS-6206), has been appointed as the Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner.
16. The facility for voting through Ballot/polling paper shall also 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.
17. 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.
18. **The instructions for Members for voting electronically are as under:-**

The voting period begins on September 26, 2015 at 10.00 A.M. and ends on September 29, 2015 by 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 September 24, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (ii) Click on Shareholders.
- (iii) 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.
  - d. Next enter the Image Verification as displayed and Click on Login.
  - e. 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.
  - f. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. 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.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- k. 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.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m. 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.



- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p. 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.
- q. Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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.
- r. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 24, 2015.
20. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.polyconltd.com](http://www.polyconltd.com) The results shall simultaneously be communicated to the Stock Exchanges.
21. Any Member(s) who require any special assistance of any kind at the venue of the Twenty Fourth AGM are requested to send details of their special needs in writing to the Company email Id- [guptag@polycon.in](mailto:guptag@polycon.in) at least three days before the date of the AGM.

#### ANNEXURE TO NOTICE

#### Explanatory Statement under Section 102 of the Companies Act, 2013

Explanatory Statement under Section 102 of the Companies Act, 2013

#### ITEM NO.4

The company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the act, proposing the candidature of Shri Kishore Chand Bhandari for the office of Director of the Company. Shri K.C. Bhandari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Shri K C Bhandari is Bachelor of Commerce and having experience of more than 25 years in business and manufacturing unit.

The matter regarding appointment of Shri K.C. Bhandari as Non-executive Non-independent Director was placed before the Remuneration Committee, which recommended his appointment as Director of the Company.

In compliance with the provisions of section 160, 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, his appointment as Director is now being placed before the Members in General Meeting for their approval.

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 at Item No. 4 of the Notice.

The Board recommends the resolution at Item No. 4 for your approval as an Ordinary Resolution.

Date : 13.08.2015

By order of the Board

Registered Office :-  
Rotary Bhawan, Church Road,  
M.I. Road, Jaipur-302 001

CS Gajanand Gupta  
Finance Controller &  
Company Secretary

# BOARD'S REPORT

To,  
The Members, Polycon International Limited

Your Directors have the pleasure of presenting the 24th Annual Report of the Company together with Audited Financial Statements and Cash Flow Statement for the financial year ended 31st March, 2015.

## FINANCIAL RESULTS

The financial results for the year ended 31st March, 2015 are summarized below:

	(Rs. In lacs)	
	2014-2015	2013-2014
<b>Net Sales Turnover</b>	3836.31	4405.51
Gross Profit before Interest and Depreciation	392.80	395.57
Less : Interest	237.37	248.75
Less : Depreciation	120.54	108.71
Profit/(Loss) for the year	34.89	38.11
Less : Provision for Taxation	10.05	11.10
Profit/(Loss) after Taxation	24.84	27.00
Add: Balance brought forward from Previous Year	109.03	82.03
Less: Adjustment of Depreciation for Prior Period	2.69	--
<b>Balance carried to the Balance Sheet</b>	<b>131.18</b>	<b>109.03</b>

## PERFORMANCE AND FINANCIAL POSITION OF COMPANY

The net sales of the company during FY 2014-15 were Rs. 3836.31 lacs against Rs. 4405.51 lacs in the year 2013-14. The Profit for the year 2014-15 was Rs. 24.84 Lacs against Rs. 27.00 Lacs in previous year.

## RESERVES

No amount has been transferred to Reserves during the period under review. The entire surplus is proposed to be retained to give financial leverage to the Company.

## DIVIDEND

In view of marginal profits, the Board of Directors does not recommend payment of Dividend for the year under review.

## PUBLIC DEPOSITS

Your Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement for constitution of Corporate Social Responsibility Committee.

## EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as required by Section 134(3)(a) of the Companies Act, 2013 in Form MGT 9 is annexed herewith as Annexure-I.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. CONSERVATION OF ENERGY

Polycon International Limited is committed to follow high standards of environmental protection and provisions of a safe and healthy work place for workers, customers and other stakeholders.

Your company is striving continuously to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. The manufacturing units of the company are well planned and adequately equipped for ensuring optimum energy utilization. Positive impact of measures already taken has been observed on the costs.

### B. TECHNOLOGY ABSORPTION

Your company is committed to providing consumers with high quality products. The technology that is being used by your company is eco-friendly that conserves the environment. All the units of the company are well furnished with suitable equipments and self sufficient in the matter of manufacturing process and focus is to stay aligned with the best and continuously increase efficiency. We proactively and continuously invest in developing technology which adds value to our business. Sustained delivery has ensured that your company's products are trusted by consumers. During the year your company continued its focus on driving the quality culture and total productivity management across the factories.

### C. FOREIGN EXCHANGE EARNINGS & OUTGO

<b>Foreign Exchange Earnings</b>	<b>NIL</b>
<b>Foreign Exchange Out Go</b>	
Expenses on foreign travels	NIL
Interest on WCFC Loan	NIL
Expenses on import on CIF basis for	
- Capital Goods	NIL
- Raw Material	NIL
- Stores & Spares	NIL

## AUDITORS AND AUDITORS' REPORT

### A. STATUTORY AUDITORS AND THEIR REPORT

M/s. A. Natani & Co., Chartered Accountants, Jaipur, Statutory Auditors of the Company will hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment. The Company received a certificate from M/s A. Natani & Co., Chartered Accountants, Jaipur Statutory

Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013. As per the provisions of Companies Act, 2013, they are being re-appointed till the conclusion of the Annual General Meeting to be held in year 2017.

There is no reservation, qualification or adverse remark contained in the Statutory Auditors' Report attached to Balance Sheet as at 31st March, 2015. Information referred in Auditors' Report are self-explanatory and don't call for any further comments.

## **B. SECRETARIAL AUDITORS AND THEIR REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/S. JAKS & ASSOCIATES, Company Secretaries to undertake audit of secretarial and other related records of the Company.

The Secretarial Audit Report is annexed herewith as "Annexure-II". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Information referred in Secretarial Auditor Report are self-explanatory and don't call for any further comments.

## **AUDIT COMMITTEE**

The Audit Committee comprises Mr. Kamal Kumar Bordia (Chairman), Mr. Adarsh Singhania and Mr. Lal Chand Baid in line with the requirements of Section 177 of the Companies Act, 2013. Mr. Vinod Sacheti ceased to be the Member of Audit Committee on 05th August, 2014 and Mr. Kamal Kumar Bordia was appointed as Chairman of Audit Committee. The Board has accepted the recommendations made by the Audit Committee from time to time. Four Meetings of Audit Committee were held during the year. The details of which are given in the Corporate Governance Report.

## **INTERNAL FINANCIAL CONTROLS**

The Company has well defined mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions considering the nature, size and complexity of its business.

The Company maintains adequate internal control systems that provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company assets.

## **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy for Prevention of Sexual Harassment at Workplace as per requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual,

temporary, trainees) are covered under this policy. No Complaint has been received during the year ended 31st March, 2015 in this regard

## **MEETINGS OF THE BOARD OF DIRECTORS**

During the year 7 Board Meetings were held. The details of which are given in the Corporate Governance Report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report of the financial condition and results of operations of the Company for the year under review as required under Clause 49 of the Listing Agreement with the Stock Exchanges, is given as annexure V forming part of this Annual Report.

## **RISK MANAGEMENT**

The Company has framed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

The Risk Management Policy is available on the Company's website: [www.polyconltd.com](http://www.polyconltd.com)

## **CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance requirements as stipulated under the Listing Agreement with the stock exchanges. A separate section on Corporate Governance, along with certificate from the auditors confirming the compliance is annexed and forms part of the annual report. The Chairman & Managing Director has confirmed and declared that all the members of the board and the senior management have affirmed compliance with the code of conduct.

## **LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

No loans, guarantee or Investments made by the company under Section 186 of the Companies Act, 2013 during the year.

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial

position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **SHARE CAPITAL**

During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options & sweat equity.

#### **HUMAN RESOURCES DEVELOPMENT/TRAINING**

Your company believes that Employees are its main strength. Accordingly your Company places people in the heart of its business strategy. Your Company is attracting and retaining the best people, creating a culture and environment where people are able to deliver their best and they are recognized and encouraged.

Your Company upholds the culture of trust and mutual respect in all its employees' relations endeavors. Your company has ensured that there is sustained communication and engagement with workforce through various forums. Company's human resources are mobilized to strengthen the company internally and to face future challenges. Your company is providing a "state of art" working environment to the employees with a view to optimize their performance.

#### **EMPLOYMENT PROFILE & INDUSTRIAL RELATIONS**

As on 31st March, 2015, the Company employed a total of 114 employees of which 13 were Officers and 101 belongs to non-executive cadre.

The Company believes in building teams across the business and functions with the aim to share knowledge and experience. Cross functional teams work with clear objectives to solve the issues and create value for the company. The company fosters open dialogue among the employees with the brief that the people, who communicate continuously and openly, build trust and mutual respect.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Name of the Director/KMP	Status/ Designations	Date of Appointment	Date of Resignation
1.Lal Chand Baid	Managing Director	01/08/1997	--
2. Rajiv Baid	Executive Director & Chief Financial Officer	01/08/1997	--
3. Vinod Sacheti	Independent Director	29/03/2010	05/08/2014
4. Adarsh Singhania	Independent Director	29/03/2010	--
5. Tiyanana Sacheti	Independent Director	20/09/2014	--
6. Kamal Kumar Bordia	Independent Director	20/09/2014	--
7. Gajanand Gupta	Company Secretary	07/06/1995	--

In terms of provisions of the Companies Act, 2013 and the articles of association of the company Shri Rajiv Baid Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The Board recommended his re-appointment.

Pursuant to Section 152 & 160 and other applicable provisions of the Companies Act, 2013 your Directors are seeking appointment of Shri K.C. Bhandari, as Non-executive Non-Independent Director of the Company. Details of the proposal for appointment of above Director is mentioned in the Explanatory Statement under Section 102 of the Act to the notice of Annual General Meeting.

Mr. Vinod Sacheti has resigned during the period under review and Ms. Tiyanana Sacheti & Mr. Kamal Kumar Bordia were appointed as Independent Director of the company. The Board noted the appreciation of services rendered by Mr. Vinod Sacheti during the period under review.

A brief resume of expertise and details of other directorship of the director is attached along with Notice of the ensuing Annual General Meeting.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is also available on the Company's website.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is disclosed in Form No. AOC -2 is attached as Annexure-III.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under section 134(3)(c) of the Companies Act, 2013 and in respect of the annual accounts for the period under review your Directors hereby confirm that :-

- In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- Directors of the company 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 the Profit & Loss Account for the period under review;

- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a "going concern basis";
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

#### DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given a declaration under sub-section (7) of Section 149 of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

#### REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of the Directors, the senior management and their remuneration. The remuneration policy is available on company's website : [www.polyconltd.com](http://www.polyconltd.com)

#### PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as Annexure-IV

#### ACKNOWLEDGEMENT

Your Directors would like to take on record its appreciation for the co-operation and support extended by the Company's Bankers, Financial Institutions, its Employees, Shareholders, Business Associates and all other stakeholders.

For and on behalf of the Board

Place : Jaipur  
Date : 30.05.2015

CA L.C. BAID  
CHAIRMAN & MANAGING  
DIRECTOR

### Annexure to the Board's Report

Annexure-I

Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :	
i) CIN	: L28992RJ1991PLC006265
ii) Registration Date	: 17/10/1991
iii) Name of the Company	: POLYCON INTERNATIONAL LIMITED
iv) Category/Sub-Category of the Company	Public Company : Limited by shares
v) Address of the Registered office and contact details	Rotary Bhawan, : Church Road, M.I.Road, Jaipur-302001, Rajasthan Tel : 0141-2363048/49 Fax : 91-141-2377046
vi) Whether listed Company	Yes / No : Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. 44, Community Center, Naraina Industrial Area, Phase-I, New Delhi-110028 Ph: 011-41410592,93,94, Fax: 41410591 E-mail: delhi@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	LLDPE Containers, Tanks etc.	22208	6.93
2	PET Containers, Bottles, Jars etc.	22203	89.53

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	N.A	-	-	-	-



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2014)				No. of Shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1862781	-	1862781	38.10	1862781	-	1862781	38.10	-
b) Central Govt/ State Govt(s)	0	-	0	0	0	-	0	0	-
c) Bodies Corp.	572500	-	572500	11.71	572500	-	572500	11.71	-
d) Banks / FI	0	-	0	0	0	-	0	0	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):-</b>	<b>2435281</b>	<b>-</b>	<b>2435281</b>	<b>49.81</b>	<b>2435281</b>	<b>-</b>	<b>2435281</b>	<b>49.81</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2435281</b>	<b>-</b>	<b>2435281</b>	<b>49.81</b>	<b>2435281</b>	<b>-</b>	<b>2435281</b>	<b>49.81</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt/ State Govt(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
h) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	1534048	119700	1653748	33.83	1547384	119700	1667084	34.10	0.27
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	261609	246400	508009	10.39	246550	245400	491950	10.06	-0.33
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	287288	-	287288	5.88	289667	-	289667	5.93	0.05
c) Any Others									
i) Non Resident Indians	-	2000	2000	0.04	-	2000	2000	0.04	-
ii) Clearing Members	2774	-	2774	0.06	3118	-	3118	0.06	-
iii) HUF	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2):-</b>	<b>2085719</b>	<b>368100</b>	<b>2453819</b>	<b>50.19</b>	<b>2086719</b>	<b>367100</b>	<b>2453819</b>	<b>50.19</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2085719</b>	<b>368100</b>	<b>2453819</b>	<b>50.19</b>	<b>2086719</b>	<b>367100</b>	<b>2453819</b>	<b>50.19</b>	<b>0.00</b>
<b>Total (A)+(B)</b>	<b>4521000</b>	<b>368100</b>	<b>4889100</b>	<b>100</b>	<b>4522000</b>	<b>367100</b>	<b>4889100</b>	<b>100</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A + B + C)</b>	<b>4521000</b>	<b>368100</b>	<b>4889100</b>	<b>100</b>	<b>4522000</b>	<b>367100</b>	<b>4889100</b>	<b>100</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2014)			Shareholding at the end of the year (As on March 31, 2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Share Pledged / encumbered to total shares	% change in shareholding during the year
1	Lal Chand Baid	219970	4.50	-	219970	4.50	-	-
2	Bharat Kumar Baid	140400	2.87	-	140400	2.87	-	-
3	Vijay Baid	118770	2.43	-	118770	2.43	-	-
4	Vikram Baid	109800	2.25	-	109800	2.25	-	-
5	Varun Baid	130000	2.66	-	130000	2.66	-	-
6	Bhanwar Lal Baid	119900	2.45	-	119900	2.45	-	-
7	Rajiv Baid	41300	0.84	-	141000	2.88	-	2.04
8	Vinod Baid	73800	1.51	-	73800	1.51	-	-
9	Chandra Kanta Baid	99700	2.04	-	0	0	-	(2.04)
10	Sadhna Baid	152710	3.12	-	152710	3.12	-	-
11	Mahendra Nahata	10000	0.20	-	10000	0.20	-	-
12	Bhanwar Lal Baid(HUF)	69950	1.43	-	69950	1.43	-	-
13	Bharat Kumar Baid(HUF)	269570	5.51	-	269570	5.51	-	-
14	Lal Chand Baid(HUF)	27700	0.57	-	27700	0.57	-	-
15	Rajiv Baid(HUF)	123000	2.52	-	123000	2.52	-	-
16	Jai Sinter Polycon Pvt. Ltd.	572500	11.71	-	572500	11.71	-	-
17	Samta Baid	11	0.00	-	11	0.00	-	-
18	Pushpalata Baid	156200	3.19	-	156200	3.19	-	-
	<b>Total</b>	<b>2435281</b>	<b>49.81</b>	<b>-</b>	<b>2435281</b>	<b>49.81</b>	<b>-</b>	<b>-</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year (As on April 1, 2014)		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
1	<b>Lal Chand Baid</b>				
	At the beginning of the year	219970	4.50	219970	4.50
	NIL movement during the year	-	-	-	-
	At the end of the year			219970	4.50
2	<b>Bharat Kumar Baid</b>				
	At the beginning of the year	140400	2.87	140400	2.87
	NIL movement during the year	-	-	-	-
	At the end of the year			140400	2.87
3	<b>Vijay Baid</b>				
	At the beginning of the year	118770	2.43	118770	2.43
	NIL movement during the year	-	-	-	-
	At the end of the year			118770	2.43
4	<b>Vikram Baid</b>				
	At the beginning of the year	109800	2.25	109800	2.25
	NIL movement during the year	-	-	-	-
	At the end of the year			109800	2.25

Sl. No.		Shareholding at the beginning of the year (As on April 1, 2014)		Cumulative Shareholding during the year	
5	<b>Varun Baid</b> At the beginning of the year NIL movement during the year At the end of the year	130000 - -	2.66 - -	130000 - 130000	2.66 - 2.66
6	<b>Bhanwar Lal Baid</b> At the beginning of the year NIL movement during the year At the end of the year	119900 - -	2.45 - -	119900 - 119900	2.45 - 2.45
7	<b>Rajiv Baid</b> At the beginning of the year Transmission during the year At the end of the year	41300 99700 -	0.84 2.04 -	41300 141000 141000	0.84 2.88 2.88
8	<b>Vinod Baid</b> At the beginning of the year NIL movement during the year At the end of the year	73800 - -	1.51 - -	73800 - 73800	1.51 - 1.51
9	<b>Chandra Kanta Baid</b> At the beginning of the year Transmission during the year At the end of the year	99700 -99700 -	2.04 -2.04 -	99700 0 0	2.04 0 0
10	<b>Sadhna Baid</b> At the beginning of the year NIL movement during the year At the end of the year	152710 - -	3.12 - -	152710 - 152710	3.12 - 3.12
11	<b>Mahendra Nahata</b> At the beginning of the year NIL movement during the year At the end of the year	10000 - -	0.20 - -	10000 - 10000	0.20 - 0.20
12	<b>Bhanwar Lal Baid (HUF)</b> At the beginning of the year NIL movement during the year At the end of the year	69950 - -	1.43 - -	69950 - 69950	1.43 - 1.43
13	<b>Bharat Kumar Baid (HUF)</b> At the beginning of the year NIL movement during the year At the end of the year	269570 - -	5.51 - -	269570 - 269570	5.51 - 5.51
14	<b>Lal Chand Baid (HUF)</b> At the beginning of the year NIL movement during the year At the end of the year	27700 - -	0.57 - -	27700 - 27700	0.57 - 0.57
15	<b>Rajiv Baid (HUF)</b> At the beginning of the year NIL movement during the year At the end of the year	123000 - -	2.52 - -	123000 - 123000	2.52 - 2.52
16	<b>Jai Sinter Polycon Pvt. Ltd.</b> At the beginning of the year NIL movement during the year At the end of the year	572500 - -	11.71 - -	572500 - 572500	11.71 - 11.71
17	<b>Samta Baid</b> At the beginning of the year NIL movement during the year At the end of the year	11 - -	0.00 - -	11 - 11	0.00 - 0.00
18	<b>Pushpalata Baid</b> At the beginning of the year NIL movement during the year At the end of the year	156200 - -	3.19 - -	156200 - 156200	3.19 - 3.19



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sl. No.	Name of the top 10 Shareholder of the Company (As on 31st March, 2015)	Date of event	Buy / Sale	Shareholding at the beginning of the year (As on April 1, 2014)		Cumulative Shareholding during the year	
				No. of shares	% of total share of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Sankalp Granites Pvt. Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	521240	10.66	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	521240	10.66
<b>2</b>	<b>Subhraj Traders Pvt. Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	393900	8.06	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	393900	8.06
<b>3</b>	<b>Maratha Petrochemicals Private Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	241000	4.93	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	241000	4.93
<b>4</b>	<b>Sigo Polymers Private Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	231000	4.72	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	231000	4.72
<b>5</b>	<b>Ridam Polymers Private Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	139390	2.85	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	139390	2.85
<b>6</b>	<b>Raj Kumar Sethia</b>						
(a)	At the beginning of the year	01-04-2014	-	139330	2.85	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	139330	2.85
<b>7</b>	<b>Deepinder Singh Poonian</b>						
(a)	At the beginning of the year	01-04-2014	-	79213	1.62	-	-
(b)	Changes during the year	13-06-2014	Buy	2367	0.05	81580	1.67
(c)	At the end of the year	31-03-2015	-	-	-	81580	1.67
<b>8</b>	<b>Sigo Polymers (P) Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	63700	1.3	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	63700	1.30
<b>9</b>	<b>Maratha Petrochemicals (P) Ltd.</b>						
(a)	At the beginning of the year	01-04-2014	-	50700	1.04	-	-
(b)	Changes during the year			No changes during the year			
(c)	At the end of the year	31-03-2015	-	-	-	50700	1.04
<b>10</b>	<b>Sanjay Kumar Sarawagi</b>						
(a)	At the beginning of the year	01-04-2014	-	48350	0.99	-	-
(b)	Changes during the year		Buy	12	0	48362	0.99
(c)	At the end of the year	31-03-2015	-	-	-	48362	0.99

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
1	<b>Lal Chand Baid (Director/ KMP)</b>				
	At the beginning of the year	219970	4.50	219970	4.50
	NIL movement during the year	-	-	-	-
	At the end of the year			219970	4.50
2	<b>Rajiv Baid (Director/ KMP)</b>				
	At the beginning of the year	41300	0.84	41300	0.84
	Transmission during the year	99700	2.04	141000	2.88
	At the end of the year			141000	2.88
3	<b>Gajanand Gupta (KMP)</b>				
	At the beginning of the year	100	0.00	100	0.00
	NIL movement during the year	-	-	-	-
	At the end of the year			100	0.00

Note: None of the other Directors/Key Managerial Personnel hold any shares in the Company.

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2190.84	361.00	--	2551.84
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	7.06	--	--	7.06
<b>Total (i+ii+iii)</b>	<b>2197.90</b>	<b>361.00</b>	<b>--</b>	<b>2558.90</b>
<b>Change in Indebtedness during the financial year</b>				
· Addition	400	--	--	400
· Reduction	-909.35	-25.14	--	-934.49
<b>Net Change</b>	<b>-509.35</b>	<b>-25.14</b>	<b>--</b>	<b>-534.49</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1682.22	335.86	--	2018.08
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	6.33	--	--	6.33
<b>Total (i+ii+iii)</b>	<b>1688.55</b>	<b>335.86</b>	<b>--</b>	<b>2024.41</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Lal Chan Baid	Mr. Rajiv Baid	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	1200000  441628  Nil	1200000  441628  Nil	2400000  883256  Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	1641628	1641628	3283256
	Ceiling as per the Act	As per Schedule V of the Act	As per Schedule V of the Act	

**B. Remuneration to other directors :**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Vinod Sacheti	Mr. Adarsh Singhnia	Mrs. Tiyana Sacheti	Mr. Kamal Bordiaa	
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify Total (1)	5000/-	5000/-	--	--	10,000/-
		5000/-	5000/-	--	--	10,000/-
2.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	5000/-	5000/-	--	--	10,000/-
	Total Managerial Remuneration					38,93,256/-
	Overall ceiling as per the Act	As per Schedule V of the Act				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Gajanand Gupta Company Secretary	Mr. Rajiv Baid CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	351840	already mentioned in WTD column	351840
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	177800	-do-	177800
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	529640	Nil	529640

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding/ fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY Penalty Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding					
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

NIL

**Annexure-II**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Polycon International Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Polycon International Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Polycon International Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Polycon International Limited for the financial year ended on 31st March, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. There is no such event occurred during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. There is no issue of securities during the period under review.
  - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. Not applicable to the company during the period under review.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not applicable to the company during the period under review.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. Not applicable to the company during the period under review.
- (h) The Securities and Exchange Board of India (Buy Back of securities) Regulations, 1998. Not applicable to the company during the period under review.
- (vi) and other applicable Laws like Factories Act, 1948; The Payment of Gratuity Act, 1972; Industrial Disputes Act, 1947; The Payment of wages Act, 1936; Employees State Insurance Act, 1948; The Employees' Provident Fund and Misc. Provisions Act, 1952; The Payment of Bonus Act, 1985; The Contract Labour (Regulation & Abolition) Act, 1970.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable to the Company being not notified during the period under review.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least Seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms as an integral part of this report.

For JAKS & Associates  
 Company Secretaries  
 Firm Regn. No. P2014RJ033600

[B K SHARMA]  
 Partner

M. No. : FCS - 6206  
 COP No.: 12636

Place: Jaipur  
 Date : 30.05.2015

**Annexure to the Secretarial Aduit Report**

Annexure-III

To,  
The Members,  
Polycon International Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, the Customs Act, 1962, the Central Excise Act, 1944 and Service Tax.
5. Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
6. The compliances of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination is limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For JAKS & Associates  
Company Secretaries  
Firm Regn. No. P2014RJ033600

[B K SHARMA]  
Partner  
M. No. : FCS - 6206  
COP No.: 12636

Place: Jaipur  
Date : 30.05.2015

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	- NOT APPLICABLE -
b)	Nature of contracts/arrangements/ transaction	-NOT APPLICABLE -
c)	Duration of the contracts/ arrangements/transaction	-NOT APPLICABLE -
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	- NOT APPLICABLE -
e)	Justification for entering into such contracts or arrangements or transactions'	-NOT APPLICABLE -
f)	Date of approval by the Board	-NOT APPLICABLE -
g)	Amount paid as advances, if any	-NOT APPLICABLE -
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-NOT APPLICABLE -

2. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	1	2	3
Name (s) of the related party & nature of relationship	Bassi Mechanical Works (Relatives of MD/ED are partner)	Varun Baid (Relative of ED)	Varsha Baid (Relative of ED)
Nature of contracts/ arrangements/ transaction	Sale of FG	Salary	Salary
Duration of the contracts/ arrangements/transaction	2014-15	2014-15	2014-15
Salient terms of the contracts or arrangements or transaction including the value, if any	Value Rs.0.13Lacs	Rs.9.41Lacs	Rs.4.94Lacs
Date of approval by the Board	N.A.	21.06.2012	01.11.2012
Amount paid as advances, if any	NIL	NIL	NIL

## Annexure-IV

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

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

**A. Remuneration paid to Managing and Whole Time Directors**

Directors of the Company	Remuneration in FY 2014-15 (Rs. In Lacs)	Remuneration in FY 2013-14 (Rs. In Lacs)	% increase/decrease	Ratio to Median remuneration
Mr. Lal Chand Baid	16.41	15.10	8.72	16.60
Mr. Rajiv Baid	16.41	15.10	8.72	16.60

**B. Remuneration paid to KMPs**

KMPs of the Company	Remuneration in FY 2014-15 (Rs. In Lacs)	Remuneration in FY 2013-14 (Rs. In Lacs)	% increase/decrease	Ratio to Median remuneration
Mr. Rajiv Baid	16.41	15.10	8.72	16.60
Mr. Gajanand Gupta	5.30	4.98	6.32	5.36

- C) The median remuneration of employees was Rs.98885/- in financial year 2014-15 and Rs. 94500/- in financial year 2013-14. There was increase 4.64% in MRE in financial year 2014-15 of as compared to financial year 2013-14.
- D) Number of permanent employees on the rolls of Company was 114 employees as on 31.03.2015.
- E) The total Turnover of the Company declined during the financial year 2014-15 as compared to financial year 2013-14 by 12.92% and the net profit declined by 8.45%. The decline in Turnover and Profit is due effect of fire occurred in the previous financial year.
- F) The aggregate remuneration of the employees was increased by 11.40% over the previous financial year.
- G) The increase in total remuneration of managing directors and whole-time directors and KMPs was 8.38% over the previous financial year.
- H) The total revenue decline by 8.45 % but the increase in remuneration is in line with the market trends.
- I) Variations in the market capitalization of the Company, price earnings ratio at the closing date of the current financial year and previous financial year

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (in Lakhs)	476.69	497.22	- 4.13
Price Earning Ratio	19.12	18.49	+ 3.41

- K) The closing share price of the Company at BSE on 31st March, 2015 being Rs. 9.75/- respectively per equity share of face value of Re. 10/- each has decreased since the last offer for sale made in the year 1995 (Offer Price was Rs. 20/- per equity share of face value of Rs. 10/- each )
- L) Average Salary increase of non-managerial employees was 11.40% and that of managerial employees 8.72% in financial year 2014-15.
- M) No Director received any variable component of remuneration in the financial year 2014-15.
- N) None of the employees, who are not directors but receive remuneration in excess of the highest paid director during the year
- O) Remuneration paid during the year ended 31st March, 2015 is as per the Remuneration Policy of the Company.

## ANNEXURE-V

**MANAGEMENT DISCUSSION AND ANALYSIS  
Industry Structure & Development**

As the wooden and glass items are being substituted by plastic items, manufacturing of plastic products have also increased. Your company has been focusing on satisfying the customers by supplying the quality products well in time. This will bring your company in sync with the requirements of buyers and in turn, will bring great profits and values to its stakeholders.

**Opportunity**

According to a study on plastics industry by Plast India Foundation increasing usage of plastics in automobiles, consumer packaging and impact of increased infrastructure spending, the plastics industry is expected to continue double-digit growth beyond 2016-17. The industry grew by 13 per cent annually in last five years and expected to continue double-digit growth beyond 2016-17. Your company is quick in realizing the latest trends and opportunities in the industry and has been in sync with the latest happenings in the market.

Polycon International Limited is continuously working over its capacity and effectiveness to increase its production and aims to provide better quality products to its consumers along with making strong position in domestic market.

**Threats**

- Cut-throat competition from the new entrants in the market, thereby squeezing the Company's profit margins.
- Price volatility of key raw material and fuel.
- Uncertainty in the economic environment.
- Unavailability of skilled manpower.
- Threat of substitutes.
- Introduction of new technologies.

The company's business activity falls within a single primary business segment viz. 'Plastic item' in India hence the disclosure requirement of Accounting standard-17 "Segment Reporting" are not applicable.



## Outlook

Your company is constantly striving to provide quality products and is looking forward to use improvised technology and innovative methods to increase its sales. Your company's endeavour to provide high quality products aiming to grant full value of money to the customer, expected to place in light of its refreshed mission and vision and clear strategic framework. Your Company will seize the opportunities and face the challenges prevailing in the industry and is confident to remain the market leader in the organized plastic industry.

## Risks and Concerns

In the normal course of business, the Company is exposed to external risks such as overall demand fluctuation in the market segment in which it operates reduction in relative market share for its products due to the impact of competition as well as internal risks such as limited product range, variation in operational efficiency and cost structure. The company is also exposed the financial risk in the form of interest rate variation. The Company is taking appropriate steps to guard itself against these identified risks.

In order to overcome such situations company is fully devoted in the preparation of appropriate programmes, adoption of suitable policies and to take corrective and precautionary measures for safeguarding the company's market position and further to strengthening it.

## Adequacy of Internal Control System

Your Company has adequate system of internal controls commensurate with its size and scale of operation, to ensure that all the assets of the Company are safeguarded and protected and that all the transactions are authorized, recorded and reported appropriately. The annual internal audit plan and internal audit reports are also shared with the statutory auditors.

Your company adheres to the following internal control system:-

- Properly conducts Board and general meetings
- Records data discussed during the meeting in proper manner.
- Properly constitutes committees in compliance with the acts, rules and regulations.
- Timely prepares records, reports, minutes and other financial and statutory documents.

It ensures that every employee of the Company is heard, in which decisive and standard reporting structure help the management to reach to all the classes of employees.

## Discussion of financial Performance :

Your Company's net turnover for the year ended March 31, 2015 is Rs. 3836.31 lacs. The Profit before interest, depreciation and tax is Rs. 392.80 lacs. However, profit after tax is Rs. 24.84 lacs.

Your Company is engaged in the manufacturing of plastic

containers since 1991 and the income also derived from the sale of these products. Your Company is hopeful of sustaining its performance through calibrated steps. Your directors are confident of the long-term business prospects of the Company.

## CAUTIONARY STATEMENT

Some statements in this management discussion and analysis describing the Company's objectives, projections, estimate, and expectations may be "forward looking" statement within the meaning of applicable laws and regulations. These Statements are likely to address the company's growth strategy, financial results etc.

Actual results would differ substantially or materially from those expressed or implied. Important factors that could affect the company's operations include domestic and international economic conditions in the industry, significant changes in political and economic environment in India, changes in government regulations, tax regimes, litigation, labour relation and other statutes.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-15

(As required under Clause 49 of the Listing Agreements entered into with the Stock Exchange)

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Polycon International Limited, we believe Good Corporate Governance is essential to achieve long-term corporate goals. Within the Company itself, we also make every endeavor to maintain the highest quality of Corporate Governance for the interests of shareholders, employees, as well as the society as a whole.

We have made conscious efforts to incorporate and bring into effect the Corporate Governance practices and we believe that it shall go beyond adherence to the regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our corporate governance philosophy. We will continuously endeavor to take forward the best practices to enhance stakeholders' value.

Your Company is in compliance with all the requirements of the code of governance, enshrined in clause 49 of Listing Agreements.

### 2. BOARD OF DIRECTORS

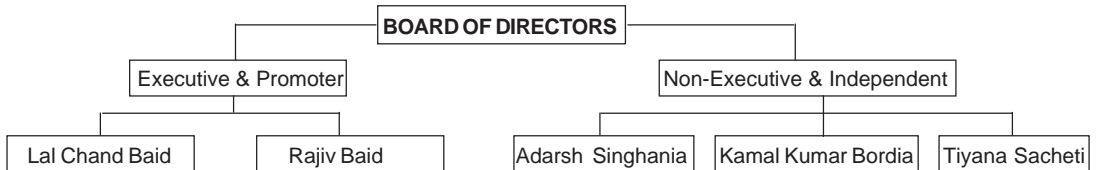
The Board comprises eminent persons with high credentials of considerable professional experience and expertise in diverse fields who actively contribute in the deliberations of the Board, covering all strategic policy matters and decisions.

#### a) Composition of Board

The Board of Directors of the Company comprises of Executive, Non-Executive & Independent Directors. To enable better and more focused attention on the affairs of the corporation the Board may delegate particular matters to the committees of the Board.



The composition of Board of Directors is as follows: -



Details of Directors, Categories are as under :

Name of Directors	Category #	No. of other Directorship in Public Limited Companies	No. of Committee Membership/Chairmanship	
			Chairman	Member
CA L.C. Baid, Managing Director	ED (P)	-	-	2
Sh. Rajiv Baid	ED (P)	-	-	1
Sh. Vinod Sacheti (upto 04.08.2014)	NED (I)	-	2	-
Sh. Adarsh Singhania	NED (I)	-	1	2
Smt. Tiyana Sacheti (w.e.f. 20/09/14)	NED (I)	-	1	-
Sh. Kamal Bordia (w.e.f. 20/09/14)	NED (I)	-	1	1

# ED(P) - Executive Director (Promoter)

NED(I) -Non-Executive Director (Independent)

#### (b) Board Meeting

During the financial year 2014-15 Seven Meetings of Board of Directors were held on 30th May,2014, 05th August,2014, 23rd September, 2014, 13th November, 2014, 30th January, 2015 05th February, 2015 & 24th March,2015. The attendance of the Directors in these meetings were as follows:-

Name of Directors	Board Meeting		Whether Attended AGM held on 20th September, 2014
	Held*	Attended	
CA L.C. Baid	7	7	NO
Sh. Rajiv Baid	7	7	NO
Sh. Vinod Sacheti	1	1	NO
Sh. Adarsh Singhania	7	7	YES
Sh. Kamal Bordia	5	5	YES
Smt. Tiyana Sacheti	5	5	YES

\*Held during the tenure of directorship

#### (c) Information supplied to the Board among others -

The Board is presented with all relevant information that is materially significant. Inter alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of Board Meeting and is tabled in the course of Board Meeting :-

1. Review of annual operating plans of business, capital budget, updates.
2. Quarterly results of the company.
3. Any issue which involves possible public or product liability claims of a substantial nature.
4. Significant development in the human resources and industrial relations fronts.
5. Sale of material nature of investments, assets, which is not in the normal course of business.
6. Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholders services, such as delay in share transfer and other grievances.
7. Minutes of meetings of Audit Committee and other committees of the Board
8. The information on recruitment and remuneration of senior officers just below the Board level.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the company prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

### 3. AUDIT COMMITTEE

#### Composition

As on 31st March, 2015, the Audit Committee comprises Three Directors. Two directors are non-executive Independent Directors.

(1) Shri Kamal Kumar Bordia (2) Shri Adarsh Singhania (3) CA L.C.Baid

The Committee is chaired by Shri Kamal Kumar Bordia, an Independent Non-Executive Director. All the members are well versed in corporate finance and related areas. The Company Secretary is the de-facto secretary of the Audit Committee.

The role of the Audit Committee flows directly from the Board of Director's overview function on Corporate Governance, which holds the Management accountable to the Board and the Board accountable to the Stakeholders. The term of reference of the Audit Committee broadly includes Acting as a catalyst, in helping the organization achieve its objectives, the Audit Committee's primary role is to review the Company's Financial Statement, Internal Financial Reporting process, Internal Financial Controls, the Audit process, adequacy, reliability and effectiveness of the Internal Control Systems and Risk Management process, Vigil Mechanisms, Related Party Transactions, Monitoring process for compliance with laws and regulations and the code of conduct.

The audit committee also performs such other functions as may be covered in the listing agreement with the stock exchange or as may be required pursuant to Section 177 of Companies Act, 2013 or any other amendment thereof, from time to time over and above any specific functions that may be requested by Board of Directors.

#### Meetings & Attendance

The following Four meetings held during the year 2014-15

(1) 30th May, 2014 (2) 04th August, 2014 (3) 13th November, 2014 (4) 05th February, 2015

The attendance of each member of the Committee is given below :-

Name	Category	Held	Attended
Sh. Vinod Sacheti	Non-Executive Independent Director	2	2
Sh. Kamal Kumar Bordia	Non-Executive Independent Director	2	2
Sh. Adarsh Singhania	Non-Executive Independent Director	4	4
CA L.C. Baid	Promoter & Managing Director	4	4

#### Internal Audit and Control

Mr. Nishank Goyal is the Internal Auditor of the Company and their internal audit plan and remuneration are approved by the Audit Committee. The reports and findings of the Internal Auditor and the internal control system are periodically reviewed by the Audit Committee.

### 4. NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of Directors was reconstituted as the Nomination and Remuneration on September 23, 2014 in accordance with the requirement of Companies Act, 2013 and Clause 49 of Listing Agreement. There are three (3) directors in the Remuneration Committee.

1. Smt. Tiyana Sacheti : Chairperson
2. Shri Adarsh Singhania : Member
3. Shri Kamal Kumar Bordia : Member

Smt. Tiyana Sacheti is the Chairperson of the Committee who is an Independent Non-Executive Director. The Secretary of the company is acting as the Secretary of the Committee.

The broad terms of reference of the Nomination & Remuneration Committee includes:

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior management and to lay down the criteria thereof;
- b) To recommend to the Board appointment of Directors and Senior Management and their removal;
- c) To evaluate the individual Director's performance.
- d) Formulate the criteria for determining qualifications, positive attributes and independence of the Directors;
- e) Recommend to the Board policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees; and
- f) Devising a policy on Board diversity.

A meeting of Nomination & Remuneration Committee was held on 04th August, 2014 for the Financial year ended 31st March, 2015 in compliance with the Companies Act, 2013. All the Directors were present at the meeting.

**Remuneration paid to Directors :-**

(a) Remuneration paid to non-executive Directors :

Name of Non-Executive Director	Sitting Fee (Rs)
Sh. Vinod Sacheti	5000
Sh. Adarsh Singhania	5000
Sh. Kamal Kumar Bordia	--
Smt. Tiyana Sacheti	--

(b) Remuneration paid to Managing Director &amp; Executive Directors

Name of Executive Director	Salary * (Rs)	Contribution to P/F (Rs)	Total (Rs)
CA L.C. Baid	1497628	144000	1641628
Sh. Rajiv Baid	1497628	144000	1641628

\*Salary Includes bonus, allowances &amp; perquisites.

**NOTES**

- (1) No commission has been paid to any Directors.
- (2) The service contract with Managing/Whole time Directors are normally for a period of five years. The contract may be terminated by either party giving the other party three months notice or the company paying 3 months salary in lieu thereof.  
Severance Fees : NIL
- (3) Presently, the company does not have any stock option scheme.

**INDEPENDENT DIRECTORS MEETING**

A meeting of Independent Directors was held on 28th March, 2015 for the Financial year ended 31st March, 2015 in compliance with the Companies Act, 2013. All the Independent Directors were present at the meeting.

**6. GENERAL BODY MEETING**

(i) Details of location of last three Annual General Meetings of the company are given below :-

Nature of the Meeting	Date	Venue	If Special Resolution Passed
23 <sup>rd</sup> Annual General Meeting	20.09.2014	Rotary Bhawan, Church Road, M.I. Road, Jaipur-1	No
22 <sup>nd</sup> Annual General Meeting	28.09.2013	Rotary Bhawan, Church Road, M.I. Road, Jaipur-1	1
21 <sup>st</sup> Annual General Meeting	25.08.2012	Rotary Bhawan, Church Road, M.I. Road, Jaipur-1	2

(ii) All special resolutions at the 21st and 22nd Annual General Meetings were passed by show of hands.

**(iii) RESOLUTION(S) PASSED THROUGH POSTAL BALLOT**

During the year 2014-15, the Company passed the following Special Resolutions by Postal Ballot

S. No.	Special Resolutions	Votes cast in favour		Votes cast against		Date of declaration of results
		No. of Votes	%	No. of Votes	%	
1.	To sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company, both present and future under Section 180(1)(a) of the Companies Act, 2013	3677857	100	--	--	11th Sept., 2014
2.	Borrowing Powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013	3677857	100	--	--	11th Sept., 2014
3.	Giving of loans or executing guarantee or providing of securities in excess of the limit specified under Section 186(3) of the Companies Act, 2013	3677857	100	--	--	11th Sept., 2014

Mr. Manoj Maheshwari, Practicing Company Secretary was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

## PROCEDURE FOR POSTAL BALLOT

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The company engages the services of CDSL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members/ list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/ the Company's registrar and share transfer agents (in case of physical shareholding). The company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements under the Act and applicable Rules.

Voting Rights are reckoned on the paid up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman. The results are also displayed on the website of the Company, [www.polyconltd.com](http://www.polyconltd.com), besides being communicated to the Stock Exchanges. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

(iv) No Extra Ordinary General Meeting was held during the financial year.

## 7. DISCLOSURES

(a) Related party transactions

Details of transactions of a material nature with any of the related parties as specified in Accounting Standard-18 issued by the Institute of Chartered Accountants of India have been reported in the Notes to the accounts. There is no transaction of a material nature with any of the related party, which is in conflict with the interest of the company.

(b) Details of Non-compliance

Your company has complied with all the requirements with stock exchanges including guidelines and regulations of SEBI. No penalties or strictures have been imposed on the company by stock exchange or SEBI or any statutory authority on any matter related to capital market during the last three years.

(c) Reconciliation of Share Capital

A qualified practicing Company Secretary carried out the Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

(d) Code of Conduct

Code of conduct for the Board members and senior management personnel has been adopted by Board and same available at the website of the company.

## 8. MEANS OF COMMUNICATION

The Company after approval by its Board of Directors and after submission of the same to Stock Exchange publishes its Quarterly and Annual results generally in The Financial Express (English) and Morning News (Hindi). The said results are also available on the website of the Company at [www.polyconltd.com](http://www.polyconltd.com). Official Press releases and presentation made to the institutional investor/ analysts are available on the aforesaid website of the Company.

## 9. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

Date & Time	30th September, 2015 at 1:00 p.m
Venue	Polycon International Ltd., Rotary Bhawan, Church Road, M.I. Road, Jaipur-302 001

Date of Book Closure : 25th September, 2015 to  
30th September, 2015  
(Both days inclusive)

Dividend : In view of marginal profit during the year under review, the Board of Directors decided not to recommend any dividend on equity shares of the Company.

Listing on stock Exchange : The Bombay Stock Exchange Ltd.  
Floor 25, Phiroze Jeejeebhoy Towers  
Dalal Street, Fort Mumbai-400 001

**NOTE** : The Company has paid listing fees, as applicable for the financial year 2015-16 to the Bombay Stock Exchange.

Stock Code : Bombay Stock Exchange Ltd. : 531397  
ISIN No. of the Company's Equity Shares : INE262C01014

## STOCK PRICE DATA

The Company's shares are listed on Bombay Stock Exchange Ltd. The monthly high & low quotations of shares traded during the year 2014-15 are as under :-

Month	High	Low
April, 2014	N.T.	N.T.
May, 2014	10.15	10.10
June, 2014	10.50	10.00
July, 2014	11.30	10.45
August, 2014	10.90	9.36
September, 2014	9.97	9.22
October, 2014	9.50	8.80
November, 2014	8.92	9.36
December, 2014	N.T.	N.T.
January, 2015	9.71	8.77
February, 2015	9.60	9.15
March, 2015	12.12	9.50

\*N.T i.e. Not Traded

\*As per website of the Stock Exchange Mumbai i.e. www.bseindia.com

### SHARE TRANSFER SYSTEM

All the transfer, if received are processed and approved by the Share Transfer Committee.

### DISTRIBUTION OF SHAREHOLDING & SHAREHOLDING PATTERN AS ON 31ST MARCH, 2015 :

Range - No. of Shares	No. of Shareholders	No. of Shares	Percentage to total
Upto - 500	495	138641	2.8357
501 - 1000	108	98056	2.0056
1001 - 2000	96	148803	3.0436
2001 - 3000	21	53031	1.0847
3001 - 4000	5	17753	0.3631
4001 - 5000	4	19631	0.4015
5001 -10000	6	44889	0.9181
10001 & above	27	4368296	89.3477
<b>Total</b>	<b>762</b>	<b>4889100</b>	<b>100.00</b>

### SHAREHOLDING PATTERN AS ON 31.03.2015

Category Code	Category of Shareholder	Total number of Share	Total Shareholding as a percentage of total number of Shares As a percentage of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>(1)</b>	<b>Indian</b>		
a)	Individuals/Hindu Undivided Family	1862781	38.10
b)	Central Government/State Government	0	0
c)	Bodies Corporate	572500	11.71
d)	Financial Institution & Banks	0	0
e)	Any Other( Specify)		
	<b>Sub Total (A) (1)</b>	<b>2435281</b>	<b>49.81</b>
<b>(2)</b>	<b>Foreign</b>		
a)	Individuals (Non-Resident / Foreign Individuals)	0	0
b)	<b>Bodies Corporate</b>	0	0
c)	<b>Institutions</b>	0	0
d)	Any Other( Specify)	0	0
	<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>	<b>2435281</b>	<b>49.81</b>
<b>(B)</b>	<b>Public Shareholding</b>		
<b>(1)</b>	<b>Institutions</b>		
a)	Mutual Funds/UTI	0	0
b)	Financial Institutions /Banks	0	0
c)	Central Government/State Government	0	0
d)	Venture Capital	0	0
e)	Insurance Companies	0	0
f)	Foreign Institutional Investors	0	0
g)	Foreign Venture Capital Investors	0	0
h)	Any Other( Specify)	0	0
	<b>Sub Total (B) (1)</b>	<b>0</b>	<b>0</b>
<b>(2)</b>	<b>Non-Institutions</b>		
a)	Bodies Corporate	1667084	34.10
<b>b)</b>	<b>Individuals:-</b>		
i)	Individual Shareholders holding nominal share capital upto Rs.1 lakh	491950	10.06
ii)	Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	289667	5.92
<b>c)</b>	<b>Any Other :-</b>		
i)	Non Resident Indians	2000	0.04
ii)	Clearing Members	3118	0.060
iii)	Hindu Undivided family	0	0
	<b>Sub Total (B) (2)</b>	<b>2453819</b>	<b>50.19</b>
	<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>2453819</b>	<b>50.19</b>
	<b>Total (A) + (B)</b>	<b>4889100</b>	<b>100.00</b>
C)	Shares Held by Custodian and against which Depository Receipts have been issued	0	0
	<b>Grand Total (A) + (B) + (C)</b>	<b>4889100</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES**

As on March 31, 2015. 92.49 % of the Company's total shares representing 45,22,000 shares are held in dematerialized form and 7.51 % representing 3,67,100 shares are in physical form.

None of the company's shares are lock in period for any purpose.

**STATUS OF COMPLAINTS**

No. of Shareholder's complaints received during the year 2014-15	-	NIL
No. of complaints resolved to the satisfaction of shareholders by 31.03.2015	-	N.A
No. of pending complaints as on 31.03.2015	-	NIL

**PLANT LOCATIONS (MANUFACTURING UNITS)**

Address	Item produced
<u>UNIT - I</u> F-11, Hirawala Industrial Area, Kanota, Jaipur - 303 012	- Water Storage Tanks
<u>UNIT-II</u> F-97, 98, 99 & G-96 Hirawala Industrial Area Kanota, Jaipur - 303 012	- PET Containers like Bottles & Jars - PVC Profiles
<u>UNIT-III</u> Plot No. F-954(A), RIICO Industrial Area, Chopanki, Bhiwadi, Rajasthan.	- PET Containers like Bottles & Jars
<u>UNIT-IV</u> Plot No. 17, Sector-4, IIE, SIDCUL, Pantnagar-263153 Uttarkhand	- PET Containers like Bottles & Jars (under implementation)

**Address for Correspondence** : M/s. Polycon International Limited  
Rotary Bhawan, Church Road, M.I. Road, Jaipur-302 001, RAJASTHAN  
Tel. : 91-141-2363048/2363049, Fax : 91-141-2377046  
e-mail : polycon@polycon.in

**THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY** : M/s. Link Intime India Pvt. Ltd.  
44, Community Centre, 2nd Floor, Naraina Industrial Area,  
Phase-I, Near PVR Cinema, NEW DELHI-110 028

## Auditors' Certificate on Corporate Governance

To,  
The Members,  
Polycon International Limited

We have examined the compliance of conditions of Corporate Governance by Polycon International Limited, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR A.NATANI & CO.  
Chartered Accountants  
Firm Reg. No. 07347C

ASHOK KUMAR NATANI  
PARTNER  
Membership No. 74692

Place : JAIPUR  
Date : 30.05.2015



## INDEPENDENT AUDITORS' REPORT

**To the Members of Polycon International Ltd**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Polycon International Ltd ("the Company"), which comprise the balance sheet as at 31st March, 2015, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

**FOR A.NATANI & CO.**  
Chartered Accountants  
Firm Reg. No. 07347C

**Place : JAIPUR**  
**Date : 30.05.2015**

**ASHOK KUMAR NATANI**  
**PARTNER**  
**MEMBERSHIP No. 74692**

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure referred to in Paragraph-1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2015, we report that :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of fixed assets have been physically verified during the year and no material discrepancies were observed on such verification.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management.
- (b) The procedures for the physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section(1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Sales-tax, Wealth tax, Service Tax, Duty of customs, Duty of excise, Value Added Tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect Provident fund, Employee State Insurance, Income-tax, Sales-tax, Wealth tax, Service-tax, Duty of Customs, Duty of excise, Value added tax and any other material statutory dues were in arrears, as at 31st March, 2015, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues which have not been deposited by the Company on account of disputes except for the following :

Statute/ Nature of dues	Amount *(Rs)	Period to which the amount relates	Forum where dispute is pending
Excise duty (including service tax)	11833/-	2007-2008	Dy. Commissioner Central Excise & Customs Appellate Tribunal.
Sales tax/ Value added tax	4883025/-	2010-2011 to 2012-2013	Demand raised by sales tax department due to non submission of statutory declaration forms.

\* The amounts disclosed are net of payments and include interest and penalties, wherever applicable.



- (c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company, has not defaulted in repayment of dues to its bankers or to any financial institutions during the year.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xi) In our opinion and according to the information and explanations given to us by the management, term loan availed by the company were applied for the purposes for which the loan were obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

FOR A.NATANI & CO.  
Chartered Accountants  
Firm Reg. No. 07347C

Place : JAIPUR  
Date : 30-05-2015

ASHOK KUMAR NATANI  
PARTNER  
Membership No. 74692

**POLYCON INTERNATIONAL LIMITED**  
**Balance Sheet**  
**As at 31st March, 2015**

(Rupees in Lacs)

SCHEDULE	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
Shareholder's Fund			
Share Capital	3	543.55	543.55
Reserves and Surplus	4	131.18	109.03
<b>Non-current Liabilities</b>			
Long-Term Borrowings	5	692.41	885.96
Deferred tax liabilities (net)	6	20.93	24.38
Other Long Term Liabilities	7	35.36	28.79
Long-term provisions	8	66.32	47.17
		<u>1489.75</u>	<u>1638.88</u>
<b>Current Liabilities</b>			
Short-term borrowings	9	848.34	1145.18
Trade Payables	10	77.03	90.12
Other Current liabilities	11	572.54	619.80
Short-term provisions	12	13.50	9.50
		<u>1511.41</u>	<u>1864.60</u>
	Total	<u>3001.16</u>	<u>3503.48</u>
<b>ASSETS</b>			
Non-current Assets			
Fixed assets			
Tangible assets	13	1083.03	1089.83
Capital work-in-progress		41.49	61.33
		<u>1124.52</u>	<u>1151.16</u>
Non-current investments	14	5.55	5.55
Long-term loans and advances	15	252.88	179.77
		<u>1382.95</u>	<u>1336.48</u>
<b>Current Assets</b>			
Inventories	16	356.57	439.74
Trade receivables	17	1106.84	1119.13
Cash and cash equivalents	18	18.18	59.09
Short-term loans and advances	19	136.62	548.02
Deferred Revenue expenses		0	1.02
		<u>1618.21</u>	<u>2167.00</u>
	Total	<u>3001.16</u>	<u>3503.48</u>
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements

**CA L.C.BAID**  
**DIN: 00210010**  
**CHAIRMAN**  
**& MANAGING DIRECTOR**

**RAJIV BAID**  
**DIN:00212265**  
**EXECUTIVE DIRECTOR**  
**& CFO**

**CS GAJANAND GUPTA**  
**FINANCE CONTROLLER &**  
**COMPANY SECRETARY**

**In terms of our report attached**  
**A.NATANI & CO.**  
**Chartered Accountants**  
**Firm Registration No. 07347C**

**Ashok Kumar Natani**  
**Partner**  
**Membership No. 74692**

**Place : JAIPUR**  
**Date : 30.05.2015**

**POLYCON INTERNATIONAL LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31ST MARCH, 2015**

*(Rupees in Lacs)*

	Note No	Year ended 31.03.15	Year ended 31.03.14
<b>INCOME</b>			
Revenue from operations (Gross)	20	4510.68	5209.88
Less :Excise duty & Taxes		674.37	804.37
Revenue from operations (Net)		<u>3836.31</u>	<u>4405.51</u>
Other income	21	22.61	4.18
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	49.99	61.97
<b>Total</b>		<b><u>3908.91</u></b>	<b><u>4471.66</u></b>
<b>EXPENSES</b>			
Cost of raw materials consumed	23	2134.07	2613.30
Purchase of Traded goods	23A	220.27	258.05
Employee benefits expense	24	258.29	220.29
Finance Costs	25	237.37	248.75
Depreciation and amortization expense	26	120.54	108.71
Other expenses	27	903.48	984.45
<b>Total</b>		<b><u>3874.02</u></b>	<b><u>4433.55</u></b>
<b>Profit before tax</b>			
<b>Tax expense</b>			
Current tax		13.50	9.50
Deferred tax		-3.45	1.61
<b>Total</b>		<b><u>24.84</u></b>	<b><u>27.00</u></b>
Profit for the year			
Earnings per share			
[Nominal value of Rs.10 each (Previous year Rs. 10 each)]			
Basic	28	0.51	0.55
Diluted	28	0.51	0.55
Significant accounting policies			
2			

The accompanying notes are an integral part of the Financial Statements

**CA L.C.BAID**  
**DIN: 00210010**  
**CHAIRMAN**  
**& MANAGING DIRECTOR**

**RAJIV BAID**  
**DIN:00212265**  
**EXECUTIVE DIRECTOR**  
**& CFO**

**CS GAJANAND GUPTA**  
**FINANCE CONTROLLER &**  
**COMPANY SECRETARY**

**In terms of our report attached**  
**A.NATANI & CO.**  
**Chartered Accountants**  
**Firm Registration No. 07347C**

**Ashok Kumar Natani**  
**Partner**  
**Membership No. 74692**

Place : JAIPUR  
Date : 30.05.2015

**POLYCON INTERNATIONAL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

*(Rupees in Lacs)*

	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	34.89	38.11
adjustments for :	-	
Depreciation/amortization expenses	120.54	108.71
Loss/(Profit) on sale/write off of fixed assets (net)	(0.97)	-
Net gain/loss on sale of investments	-	0.02
Interest expense	237.37	248.75
Interest & other income	(22.61)	(4.18)
Net loss/(gain) on foreign currency transactions	-	-
Deffered Revenue Expenses (Net)	1.02	0.26
Net prior year adjustments	-	-
Long Term Provisions (Net)	19.15	4.67
Operating profit before working capital changes	389.39	396.30
(Increase)/decrease in trade receivables	12.29	(196.24)
(Increase)/decrease in inventories	83.17	(8.83)
(Increase)/decrease in loans and advances	338.29	(125.82)
Increase/(decrease) trade and other payables	(23.93)	33.56
Cash generated from operations	799.21	98.90
Direct taxes paid	(9.50)	(7.85)
Net Cash generated from operating activities	789.71	91.12
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(103.24)	(301.99)
Sale of Fixed Assets	6.65	15.03
Amounts paid for acquiring of Companies	-	-
Purchase of investments	-	0.45
Sale of Investment	-	0.04
Dividend income	-	-
Interest received & Other Income	23.58	4.14
Net cash (used in) investing activities	(73.01)	282.31
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of capital	-	-
Buyback of equity shares	-	-
Proceeds from long term borrowing	400.00	544.69
Repayments of long term borrowings	(623.40)	(340.30)
Short term borrowings (net)	(296.84)	252.08
Dividend paid (including dividend distribution tax)	-	-
Interest expense	(237.37)	(248.75)
Net Cash (used in)/from Financing Activities	(757.61)	207.72
Net increase/(decrease) in Cash and Cash Equivalents	(40.91)	16.53
Cash and Cash Equivalents at the beginning of the year	59.09	42.56
Cash and Cash Equivalents at the end of the year	18.18	59.09

**CA L.C.BAID**  
**DIN: 00210010**  
**CHAIRMAN**  
**& MANAGING DIRECTOR**

**RAJIV BAID**  
**DIN:00212265**  
**EXECUTIVE DIRECTOR**  
**& CFO**

**CS GAJANAND GUPTA**  
**FINANCE CONTROLLER &**  
**COMPANY SECRETARY**

**Chartered Accountants**  
**Firm Registration No. 07347C**

**Ashok Kumar Natani**  
**Partner**  
**Membership No. 74692**

Place : JAIPUR  
Date : 30.05.2015

**Notes to Financial statements for the Year ended 31st March, 2015**
**Note 01 COMPANY INFORMATION**

POLYCON International Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at the Bombay stock Exchange. The company is engaged in the manufacturing and trading of PET Items like PET Bottles, PET Jars, PET Preforms, Caps & Lids and LLDPE Rotomoulding Water Storage Tanks, PVC Profiles, Sections etc. Its manufacturing facilities are located in Jaipur & Bhiwadi, Rajasthan.

**Note 02 SIGNIFICANT ACCOUNTING POLICIES**
**a) Basis of preparation of financial Statements**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the provisions of companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the companies Act, 2013 read together with paragraph 7 of the companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements are presented in lacs of Indian Rupees.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013.

The accounting Policies adopted in preparation of financial statements are consistent with those of the previous year.

**b) Use of Estimates**

The preparation of consolidated financial statements in conformity with the Generally Accepted Accounting Principles ('GAAP') IN India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the consolidated financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

**c) Tangible fixed assets**

Fixed Assets have been stated at cost net of Cenvat credit less accumulated depreciation. Cost of acquisition or construction is inclusive of direct cost, incidental expenses and borrowing cost related to such acquisition or construction.

**d) Depreciation on tangible fixed assets**

Depreciation has been provided using the written down value method at the rate determined based on the estimated useful lives of the tangible assets where applicable except the Plant and Machinery and Dies and Moulds purchased after 01.04.2004 - Straight Line Method at all the units, specified in the schedule II to the Act and in keeping with other provision of the said schedule.

Additions/deletions to fixed assets during the year are being depreciated on prorata from the date on which such assets are being capitalized/deleted.

**e) Impairment of tangible assets**

Impairment loss is provided to the extent that the carrying amount(s) of assets exceed their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

**f) Investments**

Investment are stated at cost.

**g) Inventories**

Inventories are valued at lower of cost or net realizable value as per stock taken, verified, valued and certified by the management. Cost of finished goods includes excise duty also.

**h) Revenue Recognition**

sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer, upon supply of goods, and are recorded net of trade discounts, rebates, sales taxes and excise duties (on goods manufactured and outsourced). It does not include inter-divisional transfers.

**i) Expenditure**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

**j) Retirement and other employee benefits**

The Company contributes towards Provident fund and Family pension fund which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes/rules.

Gratuity Liability, a defined benefit scheme, and provision for compensated absences is accrued and provided for on the basis of actuarial valuations made at the year end.

**k) Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**l) Taxes on Income**

Tax expense comprises of both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income-tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

**m) Provisions and contingencies**

A provision is recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

**n) Foreign Currency Transactions**

Transactions in foreign currency are accounted at the exchange rate prevailing on the date of transactions. Foreign Currency Liabilities are stated at rates prevailing at the year end if any. Any other exchange differences are recognized as revenue item.

**o) Cenvat Credit/Value Added Tax**

Cenvat/Value Added tax benefit is accounted for by reducing the purchase cost of material/fixed assets.

**Note 03 SHARE CAPITAL**

(Rupees in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
Authorised Capital 7500000 Equity shares of Rs.10/- each (previous year 7500000 equity shares of Rs.10/- each)	<u>750.00</u>	<u>750.00</u>
<b>Issued,subscribed and paid up Capital</b> 4889100 (as at 31st March, 2014 - 4889100) equity shares of Rs. 10/- each, fully paid-up Add : Share forfeited (amount originally paidup)	488.91  54.64	488.91  54.64
<b>Total</b>	<u>543.55</u>	<u>543.55</u>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :**

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Rs. In lacs	No. of Shares	Rs. In lacs
Equity shares with voting rights				
At the beginning of the period (Rs. 10/- each)	4889100	488.91	4889100	488.91
Issued/ Subscribed During the year	-	-	-	-
Outstanding at the closing of the period (Rs. 10/- each)	4889100	488.91	4889100	488.91

**b) Terms/rights attached to equity shares :**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each equity shareholder is entitled to one vote per share. The Board of Directors have not declared Dividend during the year under review due to marginal profit. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

**c) Details of shareholders having more than 5% of aggregate shares in the Company :**

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of share held	% holding	No. of share held	% of holding
1 Sankalp Granites Pvt. Ltd.	521240	10.66	521240	10.66
2 Maratha Petrochemicals Pvt. Ltd.	291700	5.97	291700	5.97
3 Sigo Polymers Pvt. Ltd.	294700	6.02	294700	6.02
4 Subhraj Traders Pvt. Ltd.	393900	8.06	393900	8.06
5 Bharat Kumar Baid (H)	269570	5.51	269570	5.51
6 Jai Sinter Polycon Pvt. Ltd.	572500	11.71	572500	11.71

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

**Note 04 RESERVES & SURPLUS**

	As at 31st March, 2015	As at 31st March, 2014
Securities Premium Account	NIL	NIL
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	109.03	82.03
Profit for the year	24.84	27
Less Adjustment made for depreciaion due to change in useful life as per Companies Act, 2013	-2.69	-
Balance as at the end of the year	<u>131.18</u>	<u>109.03</u>

**Note 05 LONG-TERM Borrowings**

(Rupees in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Current Maturities	Non-Current Maturities	Current Maturities	Non-Current Maturities
<b>SECURED</b>				
Term Loan From SBBJ (Refer Note No. 5.1 below)	58.58	187.84	-	-
Term Loan from Rajasthan Financial Corpn.(Refer Note No.5.2 below)	215.70	363.51	216.73	499.27
CarLoan from Kotak Mahindra Prime Ltd. (Refer Note No.5.3 below)	2.91	5.20	2.61	8.13
Term Loan from Indian Overseas Bank	-	-	88.77	224.35
<b>UN-SECURED - OTHERS</b>				
Sales Tax Deferment Scheme	-	85.86	-	91.00
Others (Intercorporate loans)	200.00	50.00	213.25	56.75
Other Loans	14.25	-	-	-
<b>Total</b>	<b>497.91</b>	<b>692.41</b>	<b>527.76</b>	<b>885.96</b>

5.1 Term Loan from SBBJ is secured by way of First Charge on certain Plant & Machinery acquired out of said term loan and personal guarantee of two Directors of the Company and also secured by way of second charge on entire present & future current & fixed assets of the Company. The said loan is repayable in quarterly instalments of Rs. 14.65 Lac.The last of which is due in June, 2020. Rate of Interest on Term Loan is at 13.25% P.A.

5.2 Term Loan from RFC

5.2.1 Security Details

Term Loans from Rajasthan Financial Corporation (RFC) are secured by equitable mortgage on Fixed Assets of the company both present & future situated at Jaipur and Chopanki (Bhiwadi) and also secured by personal guarantee of two Directors of the company

5.2.2 Loan repayment schedule against loans from RFC (secured) Term Loans -

S. No.	Repayable During	Amount Repayable	Range Of Interest Rate
1	2015-16	215.70	12% to 13.50%
2	2016-17	154.25	12% to 13.50%
3	2017-18	99.70	12% to 13.50%
4	2018-19	59.61	12% to 13.50%
5	2019-20	49.95	12% to 13.50%

5.3 Car Loan from Kotak Mahindra Prime Ltd. is secured by hypothecation of vehicle purchased out of said loan. The said loan is repayable in monthly instalment of Rs. 30200/- (including Interest) The last of which is due in June, 2018. Rate of interest on Car Loan is @ 12.60% P.A.

5.4 Car Loan from ICICI Bank Ltd. is secured by hypothecation of vehicle purchased out of said loan. The said loan is repayable in monthly instalment of Rs. 62000/- (including Interest). The last of which is due in February, 2016. Rate of interest on Car Loan is @ 10.4%P.A.

**Note 06 DEFERRED TAX LIABILITIES (NET)**

(Rupees in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
Difference between book and tax written down values of fixed assets	<u>41.42</u>	<u>38.96</u>
Gross deferred tax liability	<u>41.42</u>	<u>38.96</u>
Deferred Tax Asset		
Gratuity	<u>20.49</u>	<u>14.58</u>
Gross Deferred Tax Asset	<u>20.49</u>	<u>14.58</u>
<b>Total</b>	<u><b>20.93</b></u>	<u><b>24.38</b></u>

(Rupees in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
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**Note 07 Other Long Term liabilities**

Security Deposit from Customer	7.26	6.97
Payable for Purchase of Fixed Assets	7.95	7.95
Advance From Customers	16.83	13.27
Misc Payable	0.29	0.36
Payable for Purchase	3.03	0.24
<b>Total</b>	<b>35.36</b>	<b>28.79</b>

**Note 08 LONG-TERM PROVISIONS**

Provisions for employee benefits		
Provision for Gratuity	66.32	47.17
<b>Total</b>	<b>66.32</b>	<b>47.17</b>

**Note 09 SHORT-TERM BORROWINGS**

Secured		
Cash Credit from Bank	848.34	1145.18
<b>Total</b>	<b>848.34</b>	<b>1145.18</b>

1. Secured against hypothecation of all current and non current assets including stock of raw materials, work in process, finished goods and book debts both present and future.
2. 1st charge over Plant & Machinery financed for different Machineries installed at Jaipur & Bhiwadi Plant.
3. 2nd charge on fixed assets of the company i.e all immovable properties held with the company under its Jaipur & Bhiwadi Plant.
4. Cash Credit Limit from banks Carry Interest ranging between 12% - 13% p.a, computed on monthly bases on actual amount utilized, and are repayable on demand.

**Note 10 TRADE PAYABLES**

Trade Payables		
(For supplies & Expenses)	77.03	90.12
<b>Total</b>	<b>77.03</b>	<b>90.12</b>

\*Dues to Micro, small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information collected. The total amount remaining unpaid as at the end of the year is Rs. 28.81 lacs (Previous Year 56.34 lacs) (Refer Note 31)

**Note 11 OTHER CURRENT LIABILITIES**

Current maturities of long-term borrowings (secured)		
[Refer note no 5]	497.91	527.76
Statutory Liabilities including withholding taxes, provident funds & sales tax	12.85	3.21
Advance from customers	11.62	32.83
Payable for Purchase Of		
Fixed Assets	11.11	9.22
Misc Payable	39.05	46.78
<b>Total</b>	<b>572.54</b>	<b>619.80</b>

**Note 12 SHORT-TERM PROVISIONS**

Provision for tax	13.50	9.50
<b>Total</b>	<b>13.50</b>	<b>9.50</b>

Advance income-tax net of provision Rs. 13.50 lacs (as at 31st March, 2014, Rs. 9.50 lacs) Unsecured, considered good)

**Note 13 FIXED ASSETS**

(Rupees in Lacs)

Tangible Assets	Gross Block				Depreciation/Amortisation				Net Block		
	As at 1st April 2014	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March 2015	As at 1st April 2014	For the year	Deductions/ Adjustments	Adjustments during the year due to change of useful life of fixed assets; per companies act 2013	upto 31st March 2015	As At 31st March 2015	As At 31st March 2014
<b>Owned Assets</b>											
Freehold land	0	0.00	0	0.00	0.00	0	0	0	0.00	0.00	0.00
Leasehold land	264.42	24.81	0	289.23	0.00	0	0	0	0.00	289.23	264.42
Buildings	352.18	1.69	0	353.87	222.71	15.39	0	0	238.10	115.77	129.46
Plant & Machinery	2068.64	85.94	0	2154.58	1440.33	70.00	0.00	27.32	1537.65	616.93	628.31
electric Instalation	38.65	0.00	0	38.65	30.54	2.63	0	1.65	34.82	3.83	8.11
Office Equipment	24.78	1.95	0	26.73	19.44	3.04	0	1.56	24.04	2.69	5.33
Testing Equipment	1.55	0.00	0	1.55	1.33	0	0	0.22	1.55	0.00	0.22
Furniture and Fixtures	8.11	0.35	0	8.46	6.62	0.73	0	0.23	7.58	0.88	1.49
Vehicles	79.76	0.00	6.65	73.11	50.57	12.76	5.68	-0.13	57.52	15.59	29.20
Computer	14.62	0.68	0	15.30	13.22	0.94	0	0.26	14.42	0.88	1.40
Moulds & Dies	675.66	1.97	0	677.63	653.77	15.05	0	-28.42	640.40	37.23	21.89
<b>Total</b>	<b>3528.37</b>	<b>117.39</b>	<b>6.65</b>	<b>3639.11</b>	<b>2438.53</b>	<b>120.54</b>	<b>5.68</b>	<b>2.69</b>	<b>2556.08</b>	<b>1083.03</b>	<b>1089.83</b>
<b>As at and for the year ended 31st March, 2014</b>	<b>3330.08</b>	<b>240.64</b>	<b>42.35</b>	<b>3528.37</b>	<b>2357.15</b>	<b>108.71</b>	<b>27.32</b>	<b>0.00</b>	<b>2438.54</b>	<b>1089.83</b>	<b>972.93</b>
<b>Work-in-Progress</b>	As at March,2015	As at March,2014									
<b>FACTORY BUILDING</b>	37.67	13.51									
<b>PLANT &amp; MACHINERY</b>	0	44.00									
<b>MOULDS &amp; DIES</b>	3.82	3.82									
<b>TOTAL Rs.</b>	<b>41.49</b>	<b>61.33</b>									



**Note 14 NON-CURRENT INVESTMENTS**

(Rupees in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
(Long Term Investments)		
Investment in Equity Instruments		
In Government Securities - Unquoted		
6 Years National Savings Certificate	0.98	0.98
(Deposited with Sales Tax Department and other Government Authorities)		
Investment in Equity Instruments Quoted		
HFCL (2500 Equity Shares of Re. 1/- each)	0.66	0.66
(previous year 2500)		
Reliance Industries Ltd. (450 Equity Shares of Rs. 10/- each)	3.91	3.91
(previous year 450)		
<b>Total</b>	<b>5.55</b>	<b>5.55</b>

**Note 15 LONG-TERM LOANS AND ADVANCES**

Security deposits		
Unsecured, considered good	57.47	57.47
<b>Total</b>	<b>57.47</b>	<b>57.47</b>
Unsecured, Considered Goods (Unless Otherwise taken)	-	-
Security Deposit	1.39	-
Other Loans And Advances		
Advance to Suppliers	29.43	26.42
Loans And Advances to Employees	0.79	0.9
Advance Income Tax	0.17	-
Insurance Claim Receivable*	68.65	-
Receivable as per demerger scheme	94.98	94.98
	195.41	122.3
<b>Total</b>	<b>252.88</b>	<b>179.77</b>

**Note 16 INVENTORIES (valued at lower of cost and net realizable value)**

Raw materials	148.23	285.16
Finished goods	154.05	104.06
Traded Goods	32.50	29.73
Stores and Spares	19.96	17.82
Fuel	1.83	2.97
<b>Total</b>	<b>356.57</b>	<b>439.74</b>

**Note 17 TRADE RECEIVABLES**

(Rupees in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment	262.90	260.71
(Unsecured, considered good)	262.90	260.71
Less : Provision for doubtful trade receivables	-	-
Total	262.90	260.71
Other receivables	843.94	858.42
<b>Total</b>	<b>1106.84</b>	<b>1119.13</b>

**Note 18 CASH AND CASH EQUIVALENTS**

Cash on hand	1.01	6.96
Balances with banks :		
In current accounts	17.15	51.85
In deposit accounts	0.02	0.28
	18.18	59.09
<b>Total :</b>	<b>18.18</b>	<b>59.09</b>

**Note 19 SHORT-TERM LOANS AND ADVANCES**

Security Deposits		
Unsecured, considered good	15.44	2.38
	15.44	2.38
	15.44	2.38
Loans to employees (unsecured, considered good)	9.06	6.9
Prepaid expenses (unsecured, considered good)	1.48	1.59
CENVAT credit receivable	14.42	33.66
Income Tax & TDS	12.97	11.99
Sales Tax Credit receivable	24.16	34.70
Insurance claim receivable*	-	356.81
	62.09	445.65
Other loans and advances (unsecured, including advance to suppliers)		
Unsecured, considered good	59.09	99.99
	59.09	99.99
<b>Total</b>	<b>136.62</b>	<b>548.02</b>

For the year ended 31st March, 2015      For the year ended 31st March, 2014

**Note 20 REVENUE FROM OPERATIONS**

Revenue from operations		
Sale of products		
Finished goods	4287.75	4918.54
Traded goods	218.63	253.42
Other operating revenue	0.00	0.00
Scrap sales	4.30	37.92
Revenue from operations (Gross)	<u>4510.68</u>	<u>5209.88</u>
Excise Duty & Taxes	<u>674.37</u>	<u>804.37</u>
Revenue from Operations (net)	<u>3836.31</u>	<u>4405.51</u>
* Excise Duty deducted from turnover represents excise duty collected on sale of goods		
Details of products sold		
PP Cap	193.72	208.76
PET Bottles & Jars	3067.35	3508.46
Water Storage Tanks	250.62	287.57
PVC Profiles	101.68	109.38
Scrap Sale	<u>4.30</u>	<u>37.92</u>
Traded Goods	3617.67	4152.09
Sale of PET Chips/LLDPE	218.64	253.42
Revenue from Job Work	-	-
<b>Total</b>	<b><u>3836.31</u></b>	<b><u>4405.51</u></b>

(Rupees in lacs)

**Note 21 OTHER INCOME**

Interest income		
(Refer note 1 below)	3.62	3.32
Other non-operating income		
(Refer note 2 below)	<u>18.99</u>	<u>0.86</u>
Total	<u>22.61</u>	<u>4.18</u>

**Notes :**

1 Interest from banks on deposits	0.02	0.24
Other interest	<u>3.60</u>	<u>3.08</u>
	<u>3.62</u>	<u>3.32</u>
2 Other non-operating income :		
Provision for Income Tax advances written back/credit balances written back	0.26	0.80
Profit on sale of Investment	0.00	0.02
Dividend on equity shares	0.00	0.04
Insurance Claim	14.86	0.00
Commission Received	<u>3.87</u>	<u>0.00</u>
	<u>18.99</u>	<u>0.86</u>

For the year ended 31st March, 2015      For the year ended 31st March, 2014

**Note 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Inventories at the end of the year		
Finished goods	154.05	104.06
Loss of finished goods by fire (debited to insurance co.) as insurance claim receivable	0.00	85.81
	<u>154.05</u>	<u>189.87</u>
Inventories at the beginning of the year		
Finished goods	104.06	127.9
Finished goods (Purchase)	-	-
Total	<u>104.06</u>	<u>127.9</u>
Net increase/Decrease(-)	<u>49.99</u>	<u>61.97</u>

**Note 23 COST OF RAW MATERIALS CONSUMED**

Inventories at the beginning of the year	285.16	261.14
Add : Purchases	<u>1997.14</u>	<u>2682.18</u>
	2282.30	2943.32
Less: Inventories at the end of the year	148.23	285.16
Less: Loss of Raw-material by fire (debited to insurance co.) as insurance claim receivable	0.00	44.86

Cost of raw-materials consumed	<u>2134.07</u>	<u>2613.30</u>
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**Details of raw-materials consumed**

LLDPE Granual	147.16	181.17
PVC Resin	90.12	95.13
PET Chips	1601.45	2002.48
Polypropolene	190.80	218.70
PET Preforms	65.33	102.74
Others	<u>39.21</u>	<u>13.08</u>
Total	<u>2134.07</u>	<u>2613.30</u>

**Note 23 A PURCHASE OF TRADED GOODS**

PET Chips	220.27	258.05
	<u>220.27</u>	<u>258.05</u>

**Note 24 EMPLOYEE BENEFITS EXPENSES**

Salaries, wages and bonus	212.03	191.1
Contribution to providend and other funds	18.76	17.37
Staff Welfare Expenses	7.49	4.82
Provision for Gratuity	<u>20.01</u>	<u>7.00</u>
Total	<u>258.29</u>	<u>220.29</u>

	(Rupees in Lacs)	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014

**Note 25 FINANCE COSTS**

Interest on borrowings	204.51	224.1
Interest on others	32.86	24.65
Total	<u>237.37</u>	<u>248.75</u>

**Note 26 DEPRECIATION AND AMORTISATION EXPENSE**

Depreciation and amortisation for the year on tangible assets	120.54	108.71
Total	<u>120.54</u>	<u>108.71</u>

**Note 27 OTHER EXPENSES**

Consumption of stores and spares	21.38	37.12
Consumption of packing materials	153.10	205.83
Power and fuel	364.96	368.27
Rent	8.72	7.33
Repairs to buildings	0.85	2.18
Repairs to machinery	54.43	48.44
Insurance	10.58	4.46
Rates and taxes	11.91	6.75
Commission and discounts	0.00	0.00
Transport and freight charges (net)	153.56	169.9
Bad Debts/advances written off	0.00	0
Donations	0.39	0.31
Legal and professional fees*	1.06	0.85
Miscellaneous expenses	122.54	133.01
<b>Total</b>	<b><u>903.48</u></b>	<b><u>984.45</u></b>

\* Includes Payments to auditors

As auditors-statutory audit	<u>0.34</u>	<u>0.34</u>
Total	<u>0.34</u>	<u>0.34</u>

**Note 28 EARNINGS PER SHARE (EPS) :**

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under :

Profit attributable to equity shareholders - Rupees in lacs	24.84	27.00
Weighted average number of equity shares outstanding during the year	4889100	4889100
Basic earnings per share - Rupees	0.51	0.55
Diluted earnings per share - Rupees	0.51	0.55
Nominal value per share - Rupees	10.00	10.00

	(Rupees in Lacs)	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014

**Note 29 SEGMENT INFORMATION**
**Primary**

The Company is engaged in manufacture and sale of PET and other plastic products which constitutes single business segment. As per management perspective the risks and returns from its sales do not materially vary geographically. Accordingly, there are no other business segments to be reported as per AS-17 issued under the Companies (Accounting Standards) Rules, 2006.

**Note 30 CONTINGENT LIABILITIES**

	(Rupees in Lacs)	
	As at 31st March, 2015	As at 31st March, 2014
In respect of :		
a) Excise matters disputed in appeal	0.12	0.12
b) Sales tax matters disputed in appeal	48.83	0.97

**Note 31 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

The Ministry of Micro, Small & Medium Enterprises has issued an office Memorandum Dated 26.08.2008, which recommends that Micro and small Enterprises Should mention in their correspondence with its customers, the entrepreneurs memorandum number as allocated after filling of the memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as on 31.3.2015 and 31.03.2014 has been made in the financial statements based on the information provided by the management. Based on the information currently available with the company, There are no dues payable to micro and Small Suppliers as defined in the Micro, Small And Medium Enterprises Development Act,2006.

	(Rupees in Lacs)	
	For the year ended 31st March, 2015	For the year ended 31st March, 2014

i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	28.81	56.34
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-

iv) The amount of interest due and payable for the year	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi) the amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

**Note 32**

Inventories, loans & advances, trade receivables/payables and other current/non-current assets are reviewed annually and in the opinion of the Management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the Balance Sheet.

The response to letters sent by the Company requesting confirmation of balances has been insignificant. In the management's opinion, in the event of any disparity in the balances, any consequential adjustments required on reconciliation of the balances, will not be material in relation to the financial statements of the Company and the same will be adjusted in the financial statements as and when the reconciliation is completed.

**Note 33**

A fire broke out on 11th February, 2013 at Company's premises located at F-954(A), Chopanki Industrial Area, Bhiwadi, Distt. Alwar resulted in losses amounting to Rs. 49.01 lacs for inventories and Rs. 232.77 lacs for fixed assets. The claim had been lodged with the insurance company considering the re-statement clause covered under the insurance Policy Cover Note issued by the Insurance Company. Against the said claim, company had received Rs 37.24 lacs and Rs 92.67 lacs towards inventories and fixed assets respectively. Now for the balance claim, company had approached to insurance company to revocation of arbitration clause and matter still is pending with the insurance company.

Pending receipt of claim from the insurance company amounting to Rs 70.29 lacs both for inventories and fixed assets as per books (Rs 151.87 lacs as per Re-statement clause of Insurance co.) has been shown as insurance claim receivable as Long term loans and advances under the head current assets. Short fall/surplus, if any, will be accounted for when the claim is finally settled by the arbitrators.

**Note 34**

The Company carries Rs. 94.98 Lacs as receivables from demerged company M/S Vinayak Polycon International Limited by virtue of demerger scheme of Polycon International Limited approved by Rajasthan High Court order dated .....

**Note 35 RELATED PARTY TRANSACTIONS**

Names of related parties & relationship

**Names of related parties & relationship**

a) Jai Sinter Polycon Pvt. Ltd.	Relatives of Directors are Director
b) Crystal Packaging	Relatives of Directors are Partner
c) Bassi Mechanical Works	Relatives of Directors are Partner
d) Shri Varun Baid	Held office of profit
e) Ms Varsha Baid	Held office of profit

**Key Management Personnel (KMP)**

Shri Lal Chand Baid  
Shri Rajiv Baid

Enterprise over which key management personnel and their relatives are able to exercise significant influence  
Bassi Mechanical Works, Jaipur

**Details of transactions with related parties during the year/previous year**

Nature of transactons	(Rupees in Lacs)	
	For the year ended 31.3. 2015	For the year ended 31.3. 2014
1 Sale of finished goods	110.86	9.49
2 Receiving of Services	-	1.78
3 Interest Paid	-	-
4 Salary to Shri Varun Baid	9.41	10.25
5 Salary to Ms Varsha Baid	4.94	5.04
6 Managerial Remuneration to KMP	32.83	30.20
7 Purchase of Capital Goods	-	4.20
8 Outstanding Receivables/ Loans & Advances	97.37	95.02
9 Outstanding Payable	1.86	3.08

**Note 36 Earning in Foreign Currency**

FOB Value of Exports	NIL	NIL
Other Income	NIL	NIL

**Note 37 Expenditure in Foreign Currency**

a) Travelling expenses	NIL	NIL
b) Interest on WCFC Loan	NIL	NIL

**Note 38**

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

In terms of our report attached  
**A.NATANI & CO.**

Chartered Accountants  
Firm Registration No. 07347C

Ashok Kumar Natani  
Partner  
Membership No. 74692

**CA L.C.BAID**  
DIN: 00210010  
CHAIRMAN  
& MANAGING DIRECTOR

**RAJIV BAID**  
DIN:00212265  
EXECUTIVE DIRECTOR  
& CFO

**CS GAJANAND GUPTA**  
FINANCE CONTROLLER &  
COMPANY SECRETARY

Place : JAIPUR  
Date : 30.05.2015



**PROXY FORM**  
Form MGT-11

**POLYCON INTERNATIONAL LIMITED**

CIN: L28992RJ1991PLC006265

Regd. Office : Rotary Bhawan, Church Road, M. I. Road, Jaipur- 302001

Email : info@polyconltd.com Website: www.polyconltd.com

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s) :		E-mail id :	
Registered Address :		Folio No./ * Client Id :	
		*DP Id :	

I/We, being the member(s) of \_\_\_\_\_ shares of Polycon International Limited, hereby appoint :

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or  
failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or  
failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or  
failing him

As my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 24th Annual General Meeting (AGM) of the Company to be held on the Wednesday, 30th September, 2015 at 1.00 p.m. at Rotary Bhawan, Church Road, M.I.Road, Jaipur-302001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions No.	Resolutions	Option (✓)	
		for	against
1.	Consider and adopt the Audited Financial Statements for the year ended 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date along with the Reports of Board and Auditors thereon.		
2.	Re-appointment of Shri Rajiv Baid, who retires by rotation and, being eligible, offers himself for re-appointment		
3.	Appointment of Auditors and fixing their remuneration.		
	<b>Special Business</b>		
4.	Appointment of Shri Kishore Chand Bhandari as Non-Executive Director.		

Signed this.....day of.....2015.

Affix  
Re.1  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Share holder

\_\_\_\_\_  
Signature of First Proxy holder

\_\_\_\_\_  
Signature of Second Proxy holder

\_\_\_\_\_  
Signature of Third Proxy holder

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.





**ATTENDANCE SLIP****POLYCON INTERNATIONAL LIMITED**

CIN: L28992RJ1991PLC006265

Regd. Office : Rotary Bhawan, Church Road, M. I. Road, Jaipur- 302001

Email : info@polyconltd.com Website: www.polyconltd.com

I/We hereby record my/our presence at the 24rd Annual General Meeting of POLYCON INTERNATIONAL LIMITED at the Registered Office of the Company at Rotary Bhawan, Church Road, M. I. Road, Jaipur-302001, on Wednesday, the 30th day of September, 2015 at 1.00 p.m.

DP ID	
Client ID	

Folio No.	
-----------	--

Name of the shareholder/proxy :  
(in block letters)

Folio/DP ID- Client ID No.:

Signature of the shareholder/proxy

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.



If undelivered please return to :

**POLYCAN International Ltd.**

Rotary Bhawan, Church Road, M.I. Road, Jaipur-302 001 (India)