

PAL/2K17/
September 27, 2017



The Secretary
The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI - 420 023

Re: **Annual Report for the period ended 31st March 2017**

Dear Sir,

Under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 (LODR), we hereby upload Annual Report for the financial year ended 31st March 2017 of the Company.

Thanking you,

Yours faithfully,
for **PASUPATI ACRYLON LIMITED**

G.D. Gandhi
Dy. General Manager

Encl : As above

P A S U P A T I A C R Y L O N L T D .

□ CORPORATE OFFICE : M-14, CONNAUGHT CIRCUS, (MIDDLE CIRCLE), NEW DELHI-110 001 (INDIA) □ PHONE : EPABX- 47627400
□ Fax : 91-11-47627497, 47627498 □ E-MAIL : delhi@pasupatiacrylon.com □ VISIT OUR SITE : <http://www.pasupatiacrylon.com>

□ REGD. OFFICE & WORKS : KASHIPUR ROAD, THAKURDWARA-244 601 DISTT. MORADABAD (U.P.)

□ PHONES : (0591) 2241263, 2241351, (05947) 275506 □ FAX : 0591-2241354 □ E-MAIL : works@pasupatiacrylon.com ★ pasupati_tkd@rediffmail.com

□ CIN : L50102UP1982PLC015532



ANNUAL REPORT 2016-2017

PASUPATI ACRYLON LIMITED

BOARD OF DIRECTORS

Managing Director

Mr. Vineet Jain

Directors

Mr. D. K. Kapila

Mr. S.C. Malik

Mr. S. Sathyamoorthy

Ms. Soma Garg

Mr. D. K. Sharma (PICUP Nominee)

Mr. Rakesh Mundra Director (Finance) &
Company Secretary

Auditors

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

Bankers

Allahabad Bank
State Bank of India
UCO Bank
Bank of Maharashtra
Bank of Baroda
Canara Bank

Regd. Office & Works

Thakurdwara
Kashipur Road
Distt. Moradabad (U.P.)- 244 601
Ph: 0591-2241352-55, 2241263
Fax: 0591-2241262
Email: works@pasupatiacrylon.com

Corporate Office

M-14, Connaught Circus,
(Middle Circle)
New Delhi-110 001
Ph : 011-47627400
Fax : 011-47627497
Email: delhi@pasupatiacrylon.com

Registrar & Share Transfer Agents

MCS Share Transfer Agent Ltd.
F-65, Okhla Industrial Area
Phase-I, New Delhi-110 020
Ph: 011-41406149 Fax: 011-41406148
Email: admin@mcsregistrars.com



NOTICE

Notice is hereby given that the 34th Annual General Meeting of the members of Pasupati Acrylon Limited will be held on Wednesday the 27th day of September 2017 at the Registered Office of the Company at Village Thakurdwara, Kashipur Road, Distt. Moradabad (U.P.) at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements comprising the Balance Sheet as at March 31st, 2017 and the statement of Profit & Loss and Cash Flow for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Vineet Jain (DIN 0107149), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to authorise the Board of Directors to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there-under, as amended from time to time, M/s. Suresh Kumar Mittal & Co., Chartered Accountants (Registration No. 500063N), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors of the Company M/s B.K. Shroff & Company, Chartered Accountants (Firm Registration No. 302166E) to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Ninth AGM of the company to be held in 2022 and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board in consultation with the Auditors.

SPECIAL BUSINESS

4. To re-appoint Sh. Vineet Jain (DIN 00107149) as Managing Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Sh. Vineet Jain as Managing Director of the Company, for a period of 5 (five) years with effect from October 1st, 2017, on the terms and conditions including remuneration as set out in the statement annexed to the Notice with liberty to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include the Nomination & Remuneration Committee of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sh. Vineet Jain, subject to the same not exceeding the limits specified under Section 197 and Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof without any further reference to shareholders in General Meeting.

RESOLVED FURTHER THAT the board be and is hereby authorised to do all acts and take all such steps on may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT Sh. Rakesh Mundra, Company Secretary be and is hereby authorized to take all actions on above matters.”

5. To re-appoint Sh. Rakesh Mundra (DIN 00005550) as Whole time Director and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Sh. Rakesh Mundra as Whole-time Director of the Company, for a period of 5 (Five) years with effect from 14th February, 2017, on the terms and conditions including remuneration as set out in the statement annexed to the Notice with liberty to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include the Nomination & Remuneration Committee of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sh. Rakesh Mundra, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof without any further reference to shareholders in General Meeting.

RESOLVED FURTHER THAT the board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT Sh. Rakesh Mundra, Company Secretary be and is hereby authorized to take all actions on above matters.”

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



NOTICE (Contd.)

“RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Satnam Singh Saggu, Cost Auditor, (Membership No.M-10555) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 be paid the remuneration as set out in the explanatory statement to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and Memberships / Chairmanships of the Board Committees, shareholding and relationships between Directors inter se as stipulated under SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working day, except Saturdays, during business hours up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 21, 2017 to Wednesday, September 27, 2017 (both days inclusive).
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/MCS.
10. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. In compliance with the provision of Section 108 of the Act and the Rules framed there-under, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this notice.

The instructions for e-voting are as under:

VOTING THROUGH ELECTRONIC MEAN

1. Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e-voting facility to the members. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system provided by Central Depository Services (India) Limited (CDSL).
2. The notice of Annual General Meeting will be send to the members, whose names appear in the Register of Members/ depositories as at closing hours of business, on 14th August, 2017.
3. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client ID, irrespective of the number of joint holders.
4. The Company has appointed Shri S.K. Hota, Practicing Company Secretary (Membership No.16165, Certificate No.6425,) as the



NOTICE (Contd.)

Scrutinizer for conducting the e-voting process in the fair and transparent manner.

5. The scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a final report to the Chairman of the Company.
6. The results shall be declared at the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pasupatiacrylon.com and on the website of CDSL within two days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.
7. The Scrutinizer's decision on the validity of e-voting will be final.

Instructions for Voting through electronic mode

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2017 (10 AM) and ends on 23rd September, 2017 (5.30 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence No. / Folio No. in the PAN field. • In case the sequence No. / Folio No. is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence / Folio No. 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "**SUBMIT**" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVS**N of "Pasupati Acrylon Limited" on which you choose to vote.



NOTICE (Contd.)

- (xiii) On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/NO”** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- (xvi) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Those persons, who have acquired shares and have become Members of the Company after the despatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e 20.09.2017 shall view the Notice of the 34th AGM on the Company’s website. Such members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to Mr. Rakesh Dalvi, Dy. Manager, CDSL, 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, e- mail : helpdesk.evoting@cdslindia.com, Phone : 18002005533.

Route of AGM Venue

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

By order of the Board
PASUPATI ACRYLON LIMITED

(Rakesh Mundra)
Company Secretary

Place : New Delhi
Dated : 29th May, 2017

Registered Office
Thakurdwara Kashipur Road
Distt. Moradabad
Uttar Pradesh



NOTICE (Contd.)

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

ITEM NO. 4

The Board of Directors of the Company at its meeting held on 29th May 2017 re-appointed Sh Vineet Jain (DIN: 00107149) as Managing Director for a period of five years w.e.f. 1st October, 2017 on the terms of remuneration approved by the Nomination & Remuneration Committee as per details hereunder subject to approval of the shareholders.

The broad particulars of remuneration payable to and terms of the respective re-appointment of Sh Vineet Jain for a period of five years w.e.f. 1st October, 2017 are as under:

I. Remuneration

- | | | |
|--------------------------------------|---|--|
| 1. Salary | : | Rs.4,25,000/- (Rupees Four Lakh Twenty Five thousand only) per month. |
| 2. Allowances and Perquisites | | |
| (i) House Rent Allowance | : | 60% of Salary per month. |
| (ii) Medical Allowance | : | Rs.4,25,000/- per annum |
| (iii) Leave Travel Assistance | : | Rs.4,25,000/- per annum. |
| (iv) Club Fee | : | Actual fees subject to a maximum of Rs.50,000/- per annum |
| (v) Depreciation on furniture | : | As per Income Tax Rules. |
| (vi) Personal Accident Premium | : | For a maximum of Rs.15000/- per annum |
| (vi) Medical Insurance Premium | : | For a maximum of Rs.15000/- per annum |
| (vii) Contribution | : | Provident Fund and Superannuation fund will be as per Rules of the Company. At present the same shall be 12% and 13% respectively of basic salary. |
| (viii) Commission | : | 5% of the net profit including Salary & perquisites. |
| (ix) Gratuity | : | At a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Rules of the Company. |
| (x) Encashment of leave | : | As per rules of the Company. |

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

II. Overall Remuneration

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 197 of the Companies Act, 2013 and other applicable provisions of the Act read with Schedule V.

III. Minimum Remuneration

Notwithstanding anything to the contrary contained therein, in the event of absence or inadequacy of profits in any financial year during the term of office of Sh Vineet Jain as Managing Director commencing from 01.10.2017, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Sh Vineet Jain will not be paid sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Sh. Vineet Jain is liable to retire by rotation.

None of the Directors of the Company, except Sh Vineet Jain, Managing Director of the Company is concerned or interested in this resolution.

ITEM NO. 5

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



NOTICE (Contd.)

Nomination & Remuneration Committee as per details hereunder subject to approval of the shareholders.

The broad particulars of remuneration payable to and terms of the respective re-appointment of Sh Rakesh Mundra for a period of five years w.e.f. 14th February, 2017 are as under:

I. Remuneration

1. Salary per month	Rs. 1,37,000 – 8000 - 1,77,000
2. Allowances and Perquisites	
a) House Rent Allowance	Rs.10,000/- per month
b) Leave Travel Allowance	The yearly payment in the form of allowance shall be equivalent to one month's basic salary.
c) Medical reimbursement	Subject to a ceiling of Rs.15,000/- per annum.
d) Personal Accident Premium	For a maximum of Rs.10,000/- per annum
e) Medical Insurance Premium	For a maximum of Rs. 25,000/- per annum
f) Contribution	Provident Fund and Superannuation fund will be as per Rules of the Company. At present the same shall be 12% and 13% respectively of basic salary.
g) Gratuity	At a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per Rules of the Company.
h) Encashment of leave	As per rules of the Company.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

II. Overall Remuneration

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed under Sections 197 of the Companies Act 2013 and other applicable provisions of the Act read with Schedule V.

III. Minimum Remuneration

Notwithstanding anything to the contrary contained therein, in the event of absence or inadequacy of profits in any financial year during the term of office of Sh Rakesh Mundra as Whole time Director (Finance) commencing from 14.02.2017, the Company will subject to applicable laws, pay him the remuneration, allowances and perquisites as detailed above as the Minimum Remuneration.

Sh Rakesh Mundra will not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

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

Sh. Rakesh Mundra is liable to retire by rotation.

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

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

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

ITEM NO. 6

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

NOTICE (Contd.)



None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in the Item No. 6 of the Notice.

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

By order of the Board
PASUPATI ACRYLON LIMITED

Place : New Delhi
Dated : 29th May, 2017

(Rakesh Mundra)
Company Secretary

Registered Office
Thakurdwara Kashipur Road
Distt. Moradabad
Uttar Pradesh

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

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

DIRECTORS' REPORT



To the Members

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

FINANCIAL RESULTS

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

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

DIVIDEND

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

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

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

EXPORTS

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

INTEGRATED CPP FILM PROJECT

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

CDR EXIT

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

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

a) Industry Structure and Development

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

b) Opportunities and Threat

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

c) Segment-wise / Product-wise performance

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

d) Risk and Concern

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



DIRECTORS' REPORT (Contd.)

DIRECTORS

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

Shri Vineet Jain, Managing Director and Shri Rakesh Mundra, Director (Finance) are reappointed w.e.f 01.10.2017 and 14.02.2017 respectively. Their appointment needs to be confirmed at the forthcoming Annual General Meeting.

Company has received resignation letter dated 30.03.2017 from Shri Ram Singh, Senior Manager (Finance), nominee director of PICUP due to his retirement from PICUP. Board placed on record its appreciation for the valuable services rendered by him.

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

INDEPENDENT DIRECTORS:

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

KEY MANAGERIAL PERSONNEL

As required under Section 203 of the Companies Act, 2013, the Company has noted that Shri Vineet Jain, Managing Director and Shri Rakesh Mundra, Director (Finance) & Company Secretary are the Key Managerial Personnel of the Company.

NOMINATION AND REMUNERATION POLICY

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

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

EVALUATION OF BOARD PERFORMANCE

The Board carried out an annual evaluation of its own performance, of each Board Member individually as well as the working of its committees.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to the information and explanations obtained by them, hereby confirm:

- a) That in the preparation of the annual accounts for the financial year ended 31st March, 2017; the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments 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 ended 31st March, 2017 and of the profits of the company for the year ended on that date;
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the directors had prepared the annual accounts on a going concern basis;
- e) That 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) That 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.

CORPORATE GOVERNANCE

The company has complied with the Corporate Governance code as stipulated under the listing agreement executed with the Stock Exchanges. A separate section on Corporate Governance, along-with a certificate from the auditors of the Company is annexed and forms part of this Report

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

None of the transactions with any of the related parties were in conflict with your company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No.34 of the Financial Statements forming part of this Annual Report.

All related party transactions are negotiated on arm's length basis.



DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE

The Company has in place requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints on issues covered by the above act were received during the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed against your Company by the regulators or courts or tribunals during the FY 2016-17 impacting the going concern status and your Company's operations in future.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your directors have constituted the Corporate Social Responsibility Committee (CSR Committee). The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR Activities.

RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board to oversee and approving the Companies Risk Management framework and all the risks that the company faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management.

AUDITORS AND AUDITORS REPORT

Statutory Auditors

Under Section 139 (2) of Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate Statutory Auditors on completion of the maximum term permitted under the said section. The Audit Committee of the Company has proposed, and on 29th May 2017, the Board of Directors of the Company recommended the appointment of M/s. Suresh Kumar Mittal & Co., Chartered Accountants, (Reg. No. 500063N) as Statutory Auditors of the Company. Suresh Kumar Mittal & Co. will hold office for a period of five consecutive years from the conclusion of the 34th Annual General Meeting to be held on 27th September 2017 till the conclusion of the 39th Annual General Meeting to be held in the year 2022 subject to the approval of the shareholders of the Company. The first year of audit will be of the financial statements for the year ending March 31, 2018, which will include the audit of the quarterly financial statements for the year.

Cost Auditor

Pursuant to Section 148 of the Companies Act 2013 Act, read with the Companies (Cost Records and Audit) Rules, 2014, your Directors, on the recommendation of the Audit committee, appointed M/s. Satnam Singh Saggi, Cost Accountant as Cost Auditors of your company for the Financial Year 2017-18 to carry out the cost audit for the applicable business on a remuneration of Rs.40,000/- (Rupees forty thousand only) plus applicable taxes and reimbursement of out of pocket expenses. A certificate from M/s. Satnam Singh Saggi, Cost Accountants has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules made thereunder.

Secretarial Auditor

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 appointed M/s. V.K. Sharma & Co, Practicing Company Secretaries, to undertake Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the Financial Year ended 31st March 2017 is annexed herewith to this Report. M/s V.K. Sharma & Co., Practicing Company Secretary also appointed as Secretarial Auditor for the Financial Year 2017-18.

Internal Auditor

Pursuant to provisions of Section 138 of the Companies Act, 2013 M/s. Jinender Jain & Company, Internal Auditors have conducted internal audit of the functions and activities of the Company and maintained Internal Control Systems of the Company during Financial Year 2016-17.



DISCLOSURES:

Audit Committee

Company has an Audit Committee of the Board of Directors in place. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Detailed information pertaining to Audit Committee has been provided in the Corporate Governance Report, which forms part of this Annual Report. All recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has established a Vigil Mechanism policy in accordance with the provisions of the Companies Act, 2013 read with Rules there under and the Listing Agreement with the stock exchanges to deal with the instances of fraud and mismanagement. The details of the vigil mechanism are posted on the website of the Company.

Meetings of the Board

During the year four meetings of the Board of Directors were held. The maximum interval between any two Board Meeting did not exceed 120 (One hundred twenty) days.

Particulars of Loans, Investments, Guarantees

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or guarantee or security is proposed to be utilized by the Company is provided in financial statement.

Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo.

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo as required to be disclosed under the Act, are annexed hereto and form part of this Report.

Extract of Annual Return

A separate report on the details of the Extract of Annual Return in form MGT-9 is annexed herewith, which form part of the Director's Report.

Particulars of Employees and related disclosures.

Provisions of Section 197 (12) of the Act read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not attracted as none of the employees drawing excess remuneration of the limits set out in the said Rules.

ISO CERTIFICATION

Your Company is an ISO 9001:2000, accredited by Bureau of Indian Standard, Rooid Voor Accreditatie, and Netherland. This certification indicates our commitments in meeting global quality and standards.

FIXED DEPOSITS

The company does not accept fixed deposits.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Management of the Company has been focused on building a process driven organization with sound checks and controls. The adequacy of the checks and balances is continuously evaluated through self audits, well defined MIS and internal audits. The business process and operational SOPs are updated on regular basis to incorporate the internal learnings and best practices of other organisations. Senior management remains actively engaged in reviewing and strengthening Internal Control Systems. The internal Audit observations are carefully studied and implementation of the remedial action continuously monitored. Both the observations of internal audit and remedial action plan are presented and discussed in detail in the Audit Committee of the Board of Directors.

Internal Financial Control:

The Company has in place robust internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation of the continued support and co-operation received from Financial Institutions, Banks and Shareholders, the State and Central Government.

Your Directors also wish to place on record their appreciation of the devoted services of the Company's employees, who have diligently contributed to the Company's progress.

for and on behalf of the Board

Rakesh Mundra
Director (Finance) & Company Secretary

Vineet Jain
Managing Director

Place : New Delhi
Dated : 29th May, 2017



**INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013
READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014
FOR THE YEAR ENDED 31ST MARCH, 2017.**

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken during the period under report are as under:
 - i) Installation of VFD at various places, thereby reducing power consumption.
 - ii) Replacement of conventional Sodium & Mercury lights with CFL fittings.
 - iii) Raw water consumption reduced by 100 m3 / day by re-circulating water in hydraulic seal.
2. Additional investments and proposals
The company is continuously exploring various avenues to reduce and optimize energy cost.
3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production.
On account of above measures there would be savings.

B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

1. Efforts, if brief, made towards technology absorption, adaptation and innovation : None
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. : N.A.
3. Particulars of imported technology in the last five years:
 - (i) Technology imported : NA
 - (ii) Year of Import : NA
 - (iii) Has technology been fully absorbed : NA
 - (iv) If not fully absorbed, reason for & future action plan : NA
4. Expenditure on R&D:

(Rs. in Lakh)

S. No.	Particulars	2016-2017	2015-2016
i)	Capital	-	-
ii)	Recurring	26.76	20.39
iii)	Total	26.76	20.39
iv)	Total R&D expenditure as a percentage of total turnover	0.06%	0.04%

C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.
The Company is continuously exploring new markets and increasing exports. During the year Company's exports were 14187 MT i.e. 38% of total quantity sold as against 12769 MT i.e. 31% of total quantity sold in previous year.



DIRECTORS' REPORT (Contd.)

2. Total Foreign Exchange Used & Earned

(Rs.in Lakh)

Foreign Exchange Utilized		2016-2017	2015-2016
i)	Travelling	52.03	37.33
ii)	Interest & other charges	68.16	80.72
iii)	Commission on export sales	103.57	23.85
iv)	CIF Value of imports		
	- Raw Material	28090.32	31584.23
	- Stores and Spares	13.02	27.92
Foreign Exchange Earned			
FOB Value of Exports (excluding Rs.9591.52 Lakh, export to Iran in INR – Previous year Rs. 9796.09 Lakh)		6095.20	4509.62

AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE

TO THE MEMBERS,
PASUPATI ACRYLON LIMITED

We have examined the compliance of conditions of Corporate Governance by Pasupati Acrylon Limited (“the Company”), for the financial year ended on 31st March 2017 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The compliance of conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

For B. K. SHROFF & CO.,
Chartered Accountants
Firm Registration No: 302166E
Sd/-

Kavita Nangia
Partner
Membership No.90378

Place : New Delhi
Dated : 29th May, 2017



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31.03.2017

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

TO THE MEMBERS

PASUPATI ACRYLON LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PASUPATI ACRYLON 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 our opinion thereon.

Based on our verification of the **PASUPATI ACRYLON 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 31.03.2017 generally 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 **PASUPATI ACRYLON LIMITED** ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws applicable to the Company as per the representation given by the Company.

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

- (i) The Listing Agreements entered into by the Company with BSE Ltd. (Bombay Stock Exchange) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India, in respect of Board and General Meetings.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent they were applicable subject to the following observations:

The company is yet to file satisfaction of charge on working capital term loan and Rupee term loan due to non release of no objection certificate by the bank.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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.

On inspection of the minutes as captured and recorded it was ascertained that all the decisions of the Board have been carried through and there were no dissenting views.

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.

We further report that during the audit period there was no specific event/action which has a major bearing on the affairs of the company in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

Place: Noida

Date: 23rd May 2017

for V. K. Sharma & Co.
Company Secretaries

Sd/-

(V. K. Sharma)

C. P. No.:2019

FCS:-3440

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

DIRECTORS' REPORT (Contd.)



'Annexure A'

To,
The Members,
M/s PASUPATI ACRYLON 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required we have obtained the Management representation about compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification procedures on test basis
6. 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.

Place: Noida
Date: 23rd May 2017

for V. K. Sharma & Co.
Company Secretaries
Sd/-
(V. K. Sharma)
C. P. No.:-2019
FCS:-3440

Annexure to the Board's Report

Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the company for the Financial Year 2016-17 and
- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.

(Rs. in Lakh)

S. No.	Name of Director/KMP & Designation	Remuneration of Director / KMP for Financial Year 2016-17	Percentage increase in Remuneration for Financial Year 2016-17	Ratio of Remuneration of each Director / KMP to the Median Remuneration of Employees
1.	Shri Vineet Jain Managing Director	51.52	0.17	19.08
2.	Shri Rakesh Mundra Director (Finance) & Company Secretary	19.02	8.50	7.04
3.	Shri S.C. Malik (Non-executive & Independent Director)	0.59	-	-
4.	Shri D K Kapila (Non-executive & Independent Director)	0.17	-	-
5.	Smt. Soma Garg (Non-executive & Independent Director)	0.06	-	-
6.	Shri D K Sharma (Nominee Director PICUP)	0.03	-	-
7.	Shri S. Sathyamoorthy (Non-executive & Independent Director)	0.06	-	-



DIRECTORS' REPORT (Contd.)

- iii) The Median Remuneration of Employees (MRE) of the Company is Rs.2.70 Lakh for the Financial Year 2016-17. The MRE for the year increased by 3.45% compared to the previous financial year.
- iv) The number of permanent employees on the rolls of the Company is 487 for the year ended 31st March 2017.
- v) Sales and Operating income for the year ended 31st March 2017 decreased by 13.41 % and Profit before Tax was higher by 22.48% as compared to the previous year. Average increase in employees remuneration was 4.30%. Overall increase in remuneration is in line with the performance of the Company.
- vi) The remuneration of the Key Managerial Personnel (KMP) of the Company and the percentage increase in the remuneration of KMP during 2016-17 is as given in (i) and (ii) above. The performance of the Company is as stated in (v) above.
- vii) The Market Capitalisation as on 31st March 2017 was Rs. 199.66 Crore as compared to Rs.117.75 Crore as on 31st March 2016. Price Earnings Ratio of the Company is 5.86 as on 31.3.2017 against 3.93 as on 31.3.2016.
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was 4.30%. The percentage increase in salary of managerial staff was 2.19%. The increase in remuneration is determined based on the performance by the employee of the Company.
- ix) The remuneration of each of the Key Managerial Personnel is given in (i) and (ii) above. The performance of the Company, in comparison, is stated in (v) above.
- x) The key parameters of variable component of remuneration availed by the Whole-time Director and the Company's performance and performance / track record of the Whole-time Director, financial results and profitability of the Company.
- xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – NIL
- xii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

EXTRACT OF ANNUAL RETURN

For the Financial Year ended on 31st March 2017

[Pursuant to Section 93 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT- 9

I. REGISTRATION AND OTHER DETAILS

Particulars	Details
CIN	L50102UP1982PLC015532
Registration date	22/10/1982
Name of the company	Pasupati Acrylon Ltd.
Category / Sub Category of the Company	Company having Share Capital
Address of Registered Office and Contact details.	Thakurdwara Kashipur Road, Distt. Moradabad (U.P) – 244 601 Tel. 0591 2241352-55 - Fax – 0591 2241262 Email-works@pasupatiacrylon.com
Whether listed Company Yes/No.	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any.	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase – I, New Delhi 110 020 Tel ; 011 41406149 – 52 E mail : helpdeskdelhi@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of Main Products / Service	NIC Code of the Product / Service	% to total turnover of the Company.
Acrylic Filre, Tow & Tops and PPT Films	5503	100

DIRECTORS' REPORT (Contd.)



III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Name & address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Share held	Applicable Section
		N A		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	17454996	-	17454996	19.58	17454996	-	17454996	19.58	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govts.	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	36778697	-	36778697	41.26	36778697	-	36778697	41.26	-
e) Banks/ FI	4481752	-	4481752	5.03	4481752	-	4481752	5.03	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	58715445	-	58715445	65.87	58715445	-	58715445	65.87	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other individuals Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Banks/ FI	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	58715445	-	58715445	65.87	58715445	-	58715445	65.87	-
B. Public Shareholdings									
1. Institutions									
a) Mutual Funds/UTI	97020	82485	179505	0.20	97020	82485	179505	0.20	-
b) Banks/ FI	4815	270	5085	0.01	4815	270	5085	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	36000	-	36000	0.04	36000	-	36000	0.04	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub total (B) (1)	137835	82755	220590	0.25	137835	82755	220590	0.25	-
2. Non Institutions									
a) Bodies Corporate	2619272	467430	3086702	3.46	2380556	325050	2705606	3.04	-0.43
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	9518646	6408053	15926699	17.87	11481159	6280219	17761378	19.93	2.06

DIRECTORS' REPORT (Contd.)



Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Individual shareholders holding nominal share capital excess Rs.1 Lakh	7797264	124140	7921404	8.89	7145618	77520	7223138	8.10	-0.78
c) Qualified foreign Investor	-	-	-	-	-	-	-	-	-
d) BFCs registered with RBI	-	-	-	-	1390	-	1390	-	-
e) Others (Specify)									
i) Trust & Foundations	-	-	-	-	-	-	-	-	-
ii) Non Resident Individual	347650	456243	803893	0.90	739871	452967	1192838	1.34	0.44
iii) Cooperative Societies	90	-	90	0.001	90	-	90	0.001	-
iv) Foreign Companies	-	415080	415080	0.47	-	415080	415080	0.47	-
v) Educational Institutions	-	-	-	-	-	-	-	-	-
vi) OCBs	2043218	-	2043218	2.09	897566	-	897566	1.01	-1.29
Sub Total (B) (2)	22326140	7403516	30197086	33.88	22646250	7550836	30197086	33.88	-
Total Public									
Share Holding (B)= (B)(1)+(B)(2)	22463975	7486271	30417676	34.13	22784085	7633591	30417676	34.13	-
Total A + B	81179420	7486271	89133121	100	81499530	7633591	89133121	100	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B=C)	81179420	7486271	89133121	100	81499530	7633591	89133121	100	-

(ii) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total shares of the Company	No. of Shares Pledged	No. of Shares	% of total shares of the Company	No. of Shares pledged	% Change in share holding during the year
1	Manish Jain	15649232	17.56	-	15649232	17.56	-	-
2	Gurukripa Finvest Pvt. Ltd.	9000000	10.09	-	9000000	10.09	1000000	-
3	Sulabh Plantation & Finance Ltd.	8250000	9.25	-	8250000	9.25	-	-
4	Arihant Exports Ltd	4627867	5.19	-	4627867	5.19	-	-
5	Shubh Exim Ltd.	4500000	5.05	4500000	4500000	5.05	4500000	-
6	The Pradeshiya Industrial & Investment Corporation of UP Ltd.	4481752	5.03	-	4481752	5.03	-	-
7	Sind Wave Finance Services Ltd.	4000000	4.48	4000000	4000000	4.48	4000000	-
8	Prabhat Capital Services Ltd.	3500000	3.93	3500000	3500000	3.93	3500000	-
9	Accurex Traders Private Ltd.	1750000	1.96	-	1750000	1.96	-	-
10	Vineet Jain	1202422	1.35	1125000	1202422	1.35	1125000	-
11	Inder Overseas Pvt. Ltd.	1000000	1.12	1000000	1000000	1.12	1000000	-
12	Vinod Kumar Jain	603342	0.68	-	603342	0.68	-	-
13	MVA Finance Pvt.Ltd.	144450	0.16	-	144450	0.16	-	-
14	Nityanand Exports & Consultants Co.Ltd.	6380	0.01	-	6380	0.01	-	-
	Total	58715445	65.87	15125000	58715445	65.87	15125000	-

DIRECTORS' REPORT (Contd.)



(iii) Change in Promoter's Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
At the beginning of the year	58715445	65.87	58715445	65.87
Date wise increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No change			
At the end of the year	58715445	65.87	58715445	65.87

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

S.No.	Name of Shareholder	Shareholding at the beginning of the year		Increase/Decrease during the year	Cumulative shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	No of Shares	% of total shares of the Company
1	Cerex Trading U K Ltd	2041508	2.29	(1145652)	895856	1.01
2	Anu Narayan	679320	0.76	167793 (27870)	819243	0.92
3	Neville Jiyibhoy Mistry	560060	0.63	-	560060	0.63
4	Sahistaakhtar Sarvarhussian Nagad	566600	0.64	(166600)	400000	0.45
5	Nilamber Securities Private Limited	300893	0.34	-	300893	0.34
6	Jardine Fleming Intc Mgt Inc	263970	0.30	-	263970	0.30
7	Rajasthan Global Securities Pvt.Ltd.	-	-	262252	262252	0.29
8	Rajendra Kumar Gupta	-	-	200000	200000	0.22
9	Shashi Rani Gupta	-	-	176729	176729	0.20
10	Foreign & Colonial Emerging Markets Ltd.	-	-	151110	151110	0.16
11	JMP Securities Pvt.Ltd.	584936	0.66	(584936)	-	-
12	Kishan Gopal Mohta	220000	0.25	155700 (375700)	-	-
13	Bharat Jamnadas Dattani	201481	0.23	(78500)	122981	0.14
14	Jasinder Saigal	201319	0.23	(89170)	112149	0.13

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
For Each of the Directors and KMP					
Shri Vineet Jain	1202422	1.35	No change during the year	1202422	1.35

DIRECTORS' REPORT (Contd.)



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10.84	5.25	-	16.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	10.84	5.25	-	16.09
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction	4.31	3.50	-	7.81
Net Change	4.31	3.50	-	7.81
Indebtedness at the end of the financial year				
i) Principal Amount	6.53	1.75	-	8.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	6.53	1.75	-	8.28

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Shri Vineet Jain, Managing Director,	Shri Rakesh Mundra Director (Finance) & Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 26,00,000.00	Rs. 14,03,321.00	Rs. 40,03,321.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs. 1,11,723.00	Rs. 12,930.00	Rs. 1,24,653.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 18,40,000.00	Rs. 1,35,000.00	Rs. 19,75,000.00
2.	Stock Option	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.
4.	Commission - as % of profit - others, specify	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.
	Total (A)	Rs. 45,51,723.00	Rs. 15,51,251.00	Rs. 61,02,974.00
	Ceiling as per the Act	As per Schedule V		

DIRECTORS' REPORT (Contd.)



B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors				Total Amount (In Rs.)
Independent Directors	Shri S.C. Sathyamoothy	Mr. S.C. Malik	Shri D.K. Kapila	Smt. Soma Garg	
• Fee for attending board / committee meetings	6000	58500	16500	6000	87000
Total (1)	6000	58500	16500	6000	87000
Non-Executive Directors	Shri Ram Singh		Shri D K. Sharma		
• Fee for attending board / committee meetings	-		3000		3000
Total (2)	-		3000		3000
Total (B) = (1+2)					90000
Total Managerial Remuneration					6192974
Overall Ceiling as per the Act	As per Schedule V				

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

S.No.	Particulars of Remuneration	Key Managerial Personnel
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	Nil
2.	Stock Option	N.A.
3.	Sweat Equity	N.A.
4.	Commission as % of profit others, specify	N.A.
5.	Others, please specify	N.A.
	Total	Nil



DIRECTORS' REPORT (Contd.)

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 (giveDetails)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2016-17



Corporate Governance

(Pursuant to Schedule V(C) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:)

1. Company's Philosophy

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. Our company has made the requisite compliance under Corporate Governance. Over the years the company has been disclosing information concerning the performance and future prospects of the company in its Director's Report. As required under Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with Stock Exchanges, following disclosures are set out towards achievements of good Corporate Governance.

2. Board of Directors

The Board of Directors consists of three promoter directors (one managing director and two promoter and non-executive nominee directors of PICUP*), one whole time director and four non-executive independent directors including one Woman Director.

The Company did not have any material pecuniary relationships with the non-executive directors during the year under review except payment of sitting fee for attending the Board/Committee Meeting(s).

The remuneration of executive/non-executive directors is decided by the Board of Directors.

During the year, four Board Meetings were held on 20.05.2016, 06.08.2016, 14.11.2016 and 10.02.2017.

Mr. Vineet Jain was the Chairman of Board Meetings.

The composition of Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee Memberships are given below:

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Director -ships	No. of Member of other Committees	Chairman ship of other Committee(s)	Note No.
1	Mr. Vineet Jain	Managing Director & Executive Director	4	Yes	2	-	-	A
2	Mr. D. K. Kapila	Non-executive Director	4	Yes	2	-	1	B
3	Mr. S.C. Malik	Non-executive Director	4	No	-	-	-	B
4	Ms. Soma Garg	Non-executive Director	3	No	2	-	-	B
5	Mr. Ram Singh* (PICUP Nominee)	Non-executive Director	-	No	2	-	-	C*
6	Mr. S. Sathyamoorthy	Non-executive Director	2	No	2	-	-	B
7	Mr. D K Sharma (PICUP Nominee)	Non-executive Director	2	No	-	-	-	C
8	Mr. Rakesh Mundra	Director (Finance) & Executive Director	4	Yes	3	1	2	

A. Promoter Directors.

B. Non-executive and independent Directors

C. Promoter Director pursuant to assisted sector agreement between the company and PICUP.

* Has been nominated by PICUP on 06.08.2016 and retired on 30.03.2017, nomination withdrawn.

Independent Director

Independent Directors, as required under the Companies Act, 2013, are appointed for a term of upto 5 years in Annual General Meeting, and are eligible for re-appointment but cannot hold office for more than two consecutive terms (becoming eligible again after the expiry of three years from ceasing to be an Independent Directors). All other Directors retire every year and, when eligible, qualify for re-appointment. Nominees of Financial Institutions (if any) are not considered independent and do not usually retire by rotation.

The Company ensures that the Independent Directors have been properly informed about their role and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company through various presentations during the Board Meetings. The policy on familiarization programme for Independent Directors is disclosed on the Company's website.

Every director currently on the Board of the Company has personally attended at least one Board / Committee of Directors' Meeting in the financial year 2016-17.

None of the Director is a member of more than 10 Board Level Committees, or a Chairman of more than five committees i.e. Audit Committee and Stakeholders' Relationship Committees across all listed entities in which he/she is a director as required under Regulation 26 of the SEBI (Listing Obligations and disclosure Requirements) 2015.

None of the Independent Directors of the Company holds the position of the Independent Director in more than Seven (7) listed companies, including Independent Directorship in Pasupati Acrylon Ltd. and any such Director serving as a whole-time director in a listed Company is not serving as an Independent Director in more than three (3) listed Companies including Pasupati Acrylon Ltd.



The number of directorships and the position held in Board Committees by the Directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations as on 31st March 2017.

In terms of Schedule V(C) and Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, none of the Directors are related to each other.

None of the Non-Executive Directors holding any shares of the company.

Details of familiarization programmes imparted to independent directors is disclosed in the website of the Company (<http://www.pasupatiacrylon.com>)

Separate meeting of Independent Directors:

In accordance with the Provisions of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held during the year on 14th November 2016 without the attendance of Non-Independent directors and members of management, inter alia to:

- Review the performance of the Non-Independent Directors and the Board as a whole;
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Review of performance of Chairperson of the Company taking into account the views of executive directors and non-executive directors.

The meeting was attended by Mr. S. C Malik, Mrs. Soma Garg, Mr. S. Sathyamoorthy and Mr. D K Kapila Independent Directors. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Managing Director for appropriate action.

3. Audit Committee

The Audit Committee of the Company met four times during the year i.e. on 20.05.2016, 06.08.2016, 14.11.2016 and 10.02.2017

Terms of reference of the Audit Committee are as per the guidelines set out in the listing agreements with the Stock Exchanges and also as per Section 177 of the Companies Act 2013. It inter-alia include the overview of the Company's financial reporting processes, review of the half yearly and annual financial statements, the adequacy of internal control systems, the financial and risk management policies and vigil mechanism system.

Composition

The Audit Committee of the Board consists of the following Directors. The Committee met four times during the year and attendances of the members at these meetings were as follows:-

Sl.No.	Name of Director	Status	Meetings Attended
1	Mr.D.K. Kapila	Chairman & Independent Director	4
2	Mr. S.C. Malik	Independent Director	4
3	Mr. Rakesh Mundra	Executive Director	4

The Statutory Auditor (if need arise), Internal Auditors and Cost Auditors are invitees to the Audit Committee Meetings. The Company Secretary was in attendance at these meetings.

4. Nomination & Remuneration Committee

Terms of Reference

Remuneration Policy

1. Objective:

To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

2. Applicability:

The Policy shall be applicable to:

- Key Managerial Personnel, which means.
 - Directors (Executive and Non Executive)
 - Company Secretary.
 - Chief Financial Officer.
 - Such other person as may be prescribed.
- Senior Management, which means:-



Personnel of the Company who are members of its core management team excluding Board of Directors. This would also include all members of management one level below the executive directors including all functional heads, for the purpose of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

3. Constitution Of Committee:

- (i) The Committee shall consist of minimum 3 Non-Executive Directors and majority of them being Independent Director.
- (ii) Minimum two members shall constitute a quorum for the meeting.
- (iii) Constitution and membership of the Committee shall be disclosed in the Annual Report of the Company.

4. Role of the Committee:

- (i) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- (ii) Recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial and Senior Management Personnel or other employees.
- (iii) Formulation of criteria for evaluation of Independent Directors and Board.
- (iv) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- (v) Any other matter as the Board may decide from time to time.

5. Duties of Committee:

The duty of the Committee covers the matters relating to nomination and remuneration of the Directors, Key Managerial and Senior Management Personnel of the Company.

(A) Nomination matters includes:

- (i) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness.
- (ii) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment as per the provisions of Companies Act 2013.
- (iii) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- (iv) Determining the appropriate size, diversity and composition of the Board as per the provisions of Companies Act 2013.
- (v) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board.
- (vi) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan.
- (vii) Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- (viii) Recommend any necessary changes to the Board.
- (ix) Considering any other matters as may be requested by the Board.

(B) Remuneration matters includes:

- (i) To consider and determine the Remuneration, based on the principles of (i) pay for responsibilities, (ii) pay for performance and potential and (iii) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the members.
- (ii) To take into account, financial position of the Company, trend in the Industry, appointee's qualification, experience, past performance, past remuneration, etc.
- (iii) To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- (iv) To consider other factors as the Committee shall deem appropriate for elements of the remuneration of the members of the Board and ensure compliance of provisions of Companies Act 2013 and other applicable laws.
- (v) To consider any other matters as may be requested by the Board.

The Remuneration policy will be disclosed in the Annual Report of the Company.

6. General:-

- a) This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors.
- b) All the members of the Nomination and Remuneration Committee are Non-Executive and Independent Directors. The members of the Committee are :



Sl.No.	Name of Director	Status
1	Mr. D. K. Kapila	Chairman & Independent Director
2	Mr. S.C. Malik	Independent Director
3	Mr. S. Sathymoorthy	Independent Director

c) Two meetings were held during the year on 06.08.2016 & 10.02.2017.

5. Details of remuneration to Directors for the year ended on 31.03.2017

(i) Executive Directors

Name	Salary (Rs.)	Perquisites (Rs.)	Retirement benefits (Rs.)
Mr.Vineet Jain, Managing Director *	2400000	2151723	600000
Mr. Rakesh Mundra, Director (Finance)	1403321	147930	350830

Apart from above payment, no payment has been paid to Executive Directors.

The arrangements with Managing Director and Director (Finance) are contractual in nature.

(ii) Non Executive Directors

Remuneration by way of sitting fee for attending Board/Audit Committee/Nomination and Remuneration Committee/ Stakeholders Relationship Committee Meetings/ CSR Committee Meeting / Independent Directors Meeting, paid to the non-executive directors is as under.

Name	Sitting fee paid (Rs.)
Mr.D K Kapila	16500
Mr. S.C. Malik	58500
Mr. Ram Singh	-
Mr. S. Sathymoorthy	6000
Mr. D K Sharma	3000
Mrs. Soma Garg	6000
Total	90000

Apart from sitting fee no payment was made to Non-Executive Director

6. Stakeholders Relationship Committee

The Board has formed a Stakeholders Relationship Committee consisting of the following directors, the details of meeting attended by the directors are given herein under:-

Sl.No	Name of Director	Position	No of Meetings held	No of Meetings attended
1	Mr.S.C.Malik	Chairman	26	26
2	Mr.Vineet Jain	Member	26	18
3	Mr. Rakesh Mundra	Member	26	25

The Company Secretary was in attendance in all the Stakeholders Relationship Committee Meeting.

The Committee deals with matters relating to :

- i) Transfer/Transmission of shares;
- ii) Issue of Duplicate Share Certificates;
- iii) Consolidation/Split of Share Certificates;
- iv) Review of Shares Dematerialized;
- v) All other matters relating to shares.

Mr. Rakesh Mundra, Director (Finance) & Company Secretary and Mr. Amarjeet Singh, Senior Manager of M/s. MCS Share Transfer Agent Ltd., Registrar & Share Transfer Agent are the Compliance Officer of the Company.

Further the Company confirms that there were no share transfers lying pending as on 31.03.2017, and all requests for dematerialization and re-materialization of shares as on that date were confirmed / rejected into the NSDL/CDSL system.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2016-17



The Shareholder complaints received and resolved during the year from 1.04.2016 to 31.03.2017 are as under.

Sl.No.	Type of Compliant	Pending As on 01.04.2016	Total Complaints Received	Complaints Redressed	Redressal under process	Pending As on 31.03.2017
1	Letter received from SEBI	Nil	Nil	Nil	Nil	Nil
2	Letter received from Stock Exchanges	Nil	2	2	Nil	Nil
3	Letter received from DCA	Nil	Nil	Nil	Nil	Nil
4	Court/Consumer forum/Legal cases	Nil	Nil	Nil	Nil	Nil
5	Change of Address etc.	Nil	Nil	Nil	Nil	Nil
6	Issue of Duplicate Shares	Nil	Nil	Nil	Nil	Nil
7	Non receipt of Dividend	Nil	Nil	Nil	Nil	Nil
8	Share Transfers etc.	Nil	34	34	Nil	Nil

- Note: The Company has endeavored to settle all shareholder complaints in the minimum possible time. The average time of settlement may vary from 7 days to 15 days.
- An email ID exclusive for registering complaints / grievance has been formed as palsecretarial@gmail.com.

7. Risk Management Committee.

i) Terms of Reference

The Risk Management Committee has been constituted to identify the existing and prospective risks attached to the business of the Company; to monitor and review the Risk Management Plan of the Company; to suggest measures for mitigation of the Risks attached to the business of the Company; and to take any other action as may be directed by the Board of Directors in respect of the Risk Management. The committee shall also review and reassess the adequacy of this plan periodically and recommend proposed changes.

ii) Composition

Sl.No.	Name of Director	Status
1	Mr. S. C. Malik	Chairman & Independent Director
2	Ms. Soma Garg	Independent Director
3	Mr. Rakesh Mundra	Director (Finance)

iii) Meetings of Risk Management Committee

During the year no Risk Management Committee meeting was held.

8. Corporate Social Responsibility Committee (CSR)

i) Terms of reference

The Corporate Social Responsibility Committee of the Board has been constituted to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; recommend the amount of expenditure to be incurred on the activities referred above; and monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year two Corporate Social Responsibility Committee meeting was held on 20.05.2016 and 20.02.2017 attended by Mr. Vineet Jain, Mr. S.C Malik and Mr. Rakesh Mundra. Mr. S.C Malik Chaired the Meeting.

A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has formulated CSR Policy and is available at Investor page on the Company's website www.pasupatiacrylon.com.

ii) Composition of the CSR Committee

Sl.No.	Name of Director	Status	
1	Mr. Vineet Jain	Managing Director	Chairman
2	Mr. S.C. Malik	Independent Director	Member
3	Mr. Rakesh Mundra	Director (Finance)	Member

iii) Average net profit of the Company for the last three financial years.

Average net profit - Rs. 2641.24 Lacs

iv) **Prescribed CSR Expenditure (2 % of average net profits):**

Company is required to spend Rs. 52.82 Lacs towards CSR.

v) **Details of CSR spent during the financial year:**

a) Total amount spent for the Financial Year – Rs. 53.39 Lacs

b) Manner in which the amount spent during the financial year is detailed below:

Rs./Lacs.

S. No.	CSR Project or Activity identified	Sector in which the project is covered	Project or program	Amount spent on the Projects or Programs	Amount spent. Direct or through implementing agency
1	Distribution of Medicines	“ i “ of Schedule vii of the Act (Promoting preventive health care)	Program	1.35	“Direct”
2	Contribution for Health care	“ i “ of Schedule vii of the Act (Promoting preventive health care)	Project	30	Through Implementing Agency
3	Environmental sustainability by tree plantation	“ iv “ of Schedule vii of the Act (Environmental sustainability)	Program	3.52	“Direct”
4	Routine health checkups and Nutrition food for animals	“ iv “ of Schedule vii of the Act (Animal Husbandry & its welfare)	Program	7.40	“Direct”
5	Developing Infrastructure facility & Distribution of nutrition food in rural area	“ x “ of Schedule vii of the act (Rural Development- Infrastructure & Others)	Program	11.12	“Direct”
	Total			53.39	

c) **Amount unspent : Nil**

9. **General Body Meetings**

The last three Annual General Meetings were held as under:-

Financial year	Date	Time	Venue
31.03.2014	30.09.2014	10.00 AM	Pasupati Acrylon Ltd., Vill. Thakurdwara, Kashipur Road, Moradabad (UP)
31.03.2015	30.09.2015	10.00 AM	
31.03.2016	27.09.2016	10.00 AM	

Mr. D.K. Kapila, Chairman of the Audit Committee had also attended the Annual General Meeting held on 27.09.2016..

In the last three Annual General Meeting, two special resolutions were passed in the Annual General Meeting held on 30.09.2014.

10. **Means of Communication**

- Quarterly/ yearly results are being published in daily newspapers viz. Business Standard / Pioneer English and Hindi Edition. The Annual Report is posted / mailed to every shareholder of the Company.
- Management's Discussions and Analysis Report forms part of Directors' Report on the Annual Accounts more specifically under Operations, Current Year Outlook, Internal Control System and adequacy, Human Resources and Industrial Relations.
- The Company's website at www.pasupatiacrylon.com is regularly updated with financial results.
- Requisite information, statements and reports are being filed under www.corpfilings.co.in also as per SEBI directions.

11. **General Shareholder Information**

- Notes on Directors seeking re-appointment as required under Regulation 40(9) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Shri Vineet Jain will retire at the ensuing Annual General Meeting by rotation and has offered himself for re-appointment. The Board has recommended the re-appointment of the retiring Director.

The information about the brief resume and other information required to be disclosed under this section are provided in the notice of the Annual General Meeting.

- Annual General Meeting will be held on Wednesday 27th Day of September, 2017 at Registered office of the Company i.e. Thakurdwara, Kashipur Road, Distt. Moradabad (UP) at 10 AM.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2016-17



3. The Company has furnished information as required by Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement of the Stock Exchanges, relating to appointment/re-appointment of Director(s). Shareholders may kindly refer to the Notice convening the 34th Annual General Meeting of the Company. The number of companies in which the person also holds directorship and the membership of Committees of the board are given separately.

4. Financial Calendar for the period 2017-18 (Provisional)

First Quarter Results (30.06.2017)	By 14 th August 2017
Second Quarter Results (30.09.2017)	By 14 th November 2017
Third Quarter Results (31.12.2017)	By 14 th February 2018
Fourth Quarter Results (31.03.2018)	By 30 th May 2018
Mailing of Annual Report	By August, 2018
Annual General Meeting	By September, 2018

5. No dividend has been declared by the Company for Financial Year 2016-17.
6. Outstanding GDR's / ADR's / warrant / convertible instruments and their impact on equity: NIL.

12. Other Disclosures

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on arm's length basis and do not attract Provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year that may have potential conflict with the interest of the Company at large.

- a) Details of related party transactions during the year have been set out under Note No.34 of Annual Accounts. However, these are not having any potential conflict with the interests of the company at large.
- b) There were no instances of non-compliance or penalty, strictures imposed on the company by Stock Exchanges/SEBI or any other statutory authorities on any matter related to capital markets, during the last three years.
- c) Presently the company is having a Whistle Mechanism Policy. No personnel of the Company have been denied access to the Audit Committee
- d) PAL has implemented a Code of conduct based on its business principles along with implementation framework for its Directors and Senior Management of the Company. In compliance with the code, Directors and Senior Management of the Company have affirmed compliance with the Code for the year ended on 31st March 2017. A declaration to this effect signed by the Managing Director form part of this Annual Report.

- e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

All the mandatory requirements as specified sub para (2) to (10) of Schedule V (C) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 have been complied with. Details required under Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 are displayed on the website of the Company at www.pasupatiacrylon.com to the extent applicable.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted to the extent possible.

f) Commodity Risk

There are several raw materials which are directly driven by crude oil. These are monitored on regular basis using pricing trends and forecast from internationally reputed news agencies. Appropriate coverage is taken on rising trends and inventory is cut in declining trends. Accordingly, appropriate actions are taken to minimize commodity risks.

g) Foreign Exchange Risk

To control and mitigate exchange risk, the company has an agreement with Green Back Forex, according to which currency forecast is received from them and also from various banks and consultants on regular basis. Additionally regular meetings are also done with banks and important announcements such as unemployment data, G 7 meetings, non-farm payroll, RBI announcements etc. are watched carefully. Company is exporting its product to the tune of approximately 40% which provides natural hedge, in addition the company hedges the currency as suggested by consultants.

13. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company shall remain close from Thursday the 21st of September 2017 to Wednesday the 27th of September 2017 (both days inclusive).

14. Stock Code

The Company's scrip codes at various Stock Exchanges are as under:-

Bombay Stock Exchange	500456
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CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2016-17



Demat – ISIN Number for NSDL & CDSL : IN 818B01023

The Securities of the Company have never been suspended from trading.

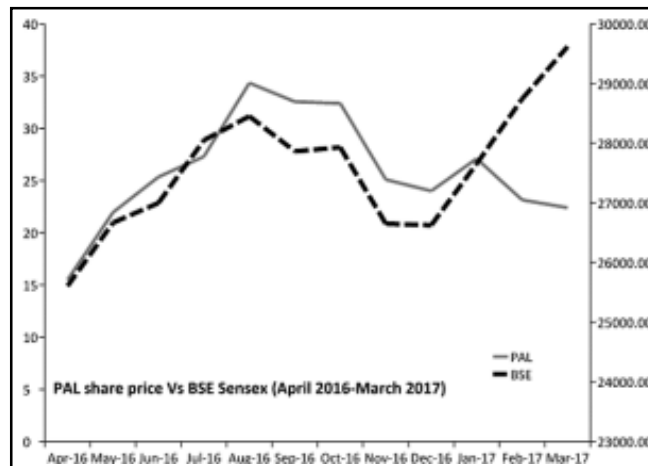
15. Listing of Equity Shares on Stock Exchanges, etc.

The Company's shares are presently listed on the Stock Exchange at Mumbai. The listing fees for the year 2016-17 have been paid to the Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 420 023.

16. Stock Market Price Data for the period 1.04.2016 to 31.03.2017.

Share Price on BSE

Month	B S E		B S E SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2016	16.10	12.90	26101	24523
May, 2016	26.40	15.60	26837	25058
June, 2016	27.50	21.40	27105	25911
July, 2016	30.40	23.65	28240	27034
August, 2016	36.05	26.50	28532	27627
September, 2016	35.10	29.05	29077	27717
October, 2016	38.65	32.00	28478	27488
November, 2016	36.05	20.55	28030	25718
December, 2016	26.30	22.55	26804	25754
January, 2017	30.00	23.60	27980	26447
February, 2017	28.10	21.45	29065	27590
March, 2017	24.60	20.90	29825	28716



17. Share Transfer Agent

The Company is availing services of M/s. M.C.S Share Transfer Agent Limited F-65, Okhla Industrial Area Phase-I, New Delhi-110020, a SEBI registered Registrar, as Registrar and Share Transfer Agents for processing the transfers, sub-division, consolidation, splitting of securities etc. Since trades in Company's shares can now only be done in the dematerialized form, request for demat and remat should be sent directly to M/s.MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area Phase-I, New Delhi-110020. Shareholders have the option to open their accounts with either NSDL or CDSL as the Company has entered into Agreements with both these Depositories.

18. Share Transfer System

As already stated, the Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Therefore, Investors/Shareholders are requested to kindly note that physical documents, viz Demat Request Forms (DRF) and Share Certificates etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents. Any delay on the part of the DP's to send the DRF and the Share Certificates beyond 21 days from the date of generation of the DRF by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 21 days. Investors/Shareholders should, therefore, ensure that their DP's do not delay in sending the DRF and Share Certificates to Share Transfer Agent after generating the DRF.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2016-17



19. Distribution of Shareholding as on 31st March 2017

No. of Shares	No. of Shareholders	%	No. of Shares	%
1-500	51151	87.69	7388605	8.29
501-1000	3990	6.84	3171590	3.56
1001-2000	1586	2.71	2447598	2.75
2001-3000	487	0.83	1262778	1.42
3001-4000	228	0.39	817211	0.92
4001-5000	265	0.45	1251012	1.40
5001-10000	346	0.59	2621773	2.94
10001 -50000	221	0.37	4528356	5.08
50001- 100000	21	0.036	1538229	1.72
100000 and above	21	0.036	1538229	1.72
Total	58329	100	89133121	100

20. Dematerialization of Shares

As on March 31, 2017, 91.44% of the Company's total shares representing 81499530 shares were held in dematerialized form and the balance 8.56% representing 7633591 shares were in paper form.

21. CEO / CFO Certification

CEO and CFO have given a certificate to the Board as contemplated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

22. Registered Office and Works

Thakurdwara, Kashipur Road, Distt. Moradabad (UP) (It is 40 KM before on the way to Corbett Park)

23. Address of correspondence and corporate office

Company's corporate office is situated at

M-14, Connaught Circus (Middle Circle), New Delhi-110 001

Shareholders correspondence should be addressed to :

Pasupati Acrylon Ltd. Registered Office Thakurdwara, Kashipur Road Distt. Moradabad (UP) Phone: 0591 2241263, 2241352-55 Fax : 0591 2241262 Email : works@pasupatiacrylon.com	Pasupati Acrylon Ltd Corporate Office M-14, Connaught Circus (Middle Circle) New Delhi-110 001 Phone: 47627400 Fax : 47627497 Email : delhi@pasupatiacrylon.com	MCS Limited F-65, Okhla Industrial Area Phase-I, New Delhi-110020 Phone: 41406149-52 Fax : 41709881 Email: helpdeskdeldhi@mcsregistrars.com
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24. Auditors Certificate on Corporate Governance

As per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Auditors Certificate is given as an annexure to the Directors' Report.

For and on behalf of the Board

Place : New Delhi
Dated : 29th May, 2017

Vineet Jain
Managing Director

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the period ended March 31, 2017, as envisaged in Schedule V (D) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, of the Listing Agreement with stock exchanges.

Vineet Jain
Managing Director

Place : New Delhi
Dated : 29th May, 2017

INDEPENDENT AUDITORS' REPORT



TO THE MEMBERS OF PASUPATI ACRYLON LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of PASUPATI ACRYLON LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the period from 1st April, 2016 to 31st March, 2017 then ended and a summary of 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 there under.

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. 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, 2017, and its Profit and its cash flows for the period ended on that date.

Report on Other Legal and Regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.

INDEPENDENT AUDITORS' REPORT (Contd.)



- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note nos. 21b(iii) & (iv) of the financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
 - The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosed are in accordance with books of account maintained by the company and as produced to us by the management - Refer note no.40 of the financial statements.

For B.K. SHROFF & CO.

Chartered Accountants
Firm Registration No. 302166E

Kavita Nangia

Partner

Membership No. : 90378

Place : New Delhi

Date : 29th May, 2017

ANNEXURE REFERRED TO IN PARAGRAPH (1) UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) Physical verification of inventory (except material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us no loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act, 2013 has been given by the company.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records
- (vii) (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, dues of income-tax or Sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute are as under :-

INDEPENDENT AUDITORS' REPORT (Contd.)



S. No.	Name of the Statute	Nature of dues	Period to which amount relates	Amount Rs.in lacs	Forum where dispute is pending
1	Commercial Tax Department	Demand against Provisional Assessment	April 16 to June 16	17.35	Add. Commissioner (Appeal)
		Entry Tax	2003-2012	85.96	Supreme Court, N. Delhi 2
2	Central Excise, Service Tax & Customs Act (Service Tax)	Utilisation of for CENVAT Credit payment of Service Tax	April 07 to Feb 08	11.39	Allahabad High Court
3	Central Excise, Service Tax & Customs Act (Service Tax)	Disallowing Service Tax	Feb 05 to Feb 08	122.27	CESTAT, Allahabad

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) No money have been raised by way of initial public offer or further public offer (including debt instruments during the year). Term loans have been applied for the purposed for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
- (xiii) In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
- (xv) The company has not entered into any non cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934

For B.K. SHROFF & CO.
Chartered Accountants
Firm Registration No. 302166E

Kavita Nangia
Partner
Membership No. : 90378

Place : New Delhi
Date : 29th May, 2017

Annexure B referred to in paragraph (2)(f) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Pasupati Acrylon Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.



INDEPENDENT AUDITORS' REPORT (Contd.)

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

For B.K. SHROFF & CO.
Chartered Accountants
Firm Registration No. 302166E

Kavita Nangia
Partner
Membership No. : 90378

Place : New Delhi
Date : 29th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017



Particulars	Note No.	As at 31.03.2017 (Rs./Lakh)		As at 31.03.2016 (Rs./Lakh)
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	2	8,914.10	8,914.10	
Reserves & Surplus	3	3,259.44	1,764.70	10,678.80
NON-CURRENT LIABILITIES				
Long-Term Borrowings	4	395.55	1,178.15	
Other Long Term Liabilities	5	39.09	27.41	
Long Term Provisions	6	224.88	218.82	1,424.38
CURRENT LIABILITIES				
Short-Term Borrowings	7	2,206.28	1,959.32	
Trade Payables	8	9,048.77	7,846.72	
Other Current Liabilities	9	2,689.82	1,613.12	
Short Term Provisions	10	718.16	1,234.88	12,654.04
			14,663.03	24,757.22
ASSETS				
NON CURRENT ASSETS				
Fixed Assets				
Tangible Assets	11	3,077.11	5,385.95	
Capital Work in Progress		3,227.94	-	
Deferred Tax Assets	12	400.59	298.00	
Other Non Current Assets	13	5.83	7.42	
Long Term Loans & Advances	14	-	1,050.85	6,742.22
CURRENT ASSETS				
Current Investment	15	3,313.60	1,768.12	
Inventories	16	10,069.58	8,879.12	
Trade Receivables	17	3,234.49	3,928.37	
Cash & Cash Equivalents	18	2,302.17	1,196.53	
Short Term Loans & Advances	19	730.70	584.14	
Other Current Assets	20	1,134.08	1,658.72	18,015.00
			20,784.62	24,757.22
Significant Accounting Policies				
Notes on Financial Statement	1 to 41			
As per our report of even date annexed				

For B.K. Shroff & Co.,
Chartered Accountants
Firm Registration No.302166E

Kavita Nangia
Partner
Membership No.90378

Rakesh Mundra
Director (Finance) & Company Secretary
DIN : 00005550

Deveshwar Kumar Kapila
Director
DIN : 00030614

Vineet Jain
Managing Director
DIN : 00107149

S.C.Malik
Director
DIN : 00107170

Soma Garg
Director
DIN : 01344773

Place : New Delhi
Dated : 29th May, 2017

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017



Particulars	Note No.	Current Year (Rs./Lakh)	Previous Year (Rs./Lakh)
Revenue from Operations	23	46,086.62	53,360.76
Other Income	24	1,119.43	691.01
Total Revenue		47,206.05	54,051.77
Expenses			
Cost of Materials Consumed	25	31,599.41	36,479.48
Purchases of Stock in Trade	26	19.48	23.49
Changes in Inventories of Finished Goods			
Work in Progress and Stock in trade	27	(1,587.38)	1,591.61
Employee Benefits Expense	28	1,973.38	1,932.68
Finance Costs	29	547.94	630.34
Depreciation and Amortisation Expense	30	686.23	743.09
Other Expenses	31	8,148.21	7,899.21
Total Expenses		41,387.27	49,299.90
Profit before Exceptional & Extraordinary items & Tax		5,818.78	4,751.87
Less : Exceptional Items	32	541.10	307.76
		5,277.68	4,444.11
Tax Expense			
Current Tax- Minimum Alternate Tax (MAT)		1,974.63	1,007.57
Deferred Tax (Assets)/Liability	12	(102.59)	1389.51
Interest on Income Tax		1.67	2.09
MAT Credit Entitlement		-	(948.45)
Profit for the Year		3,403.97	2,993.39
Earnings per Equity Share (Rs.)-Basic & Diluted	33		
a) before extraordinary items		3.82	3.36
b) after extraordinary items		3.82	3.36
Significant Accounting Policies	1		
Notes on Financial Statements	1 to 41		

As per our report of even date annexed

For B.K. Shroff & Co.,
Chartered Accountants
Firm Registration No.302166E

Kavita Nangia
Partner
Membership No.90378

Rakesh Mundra
Director (Finance) & Company Secretary
DIN : 00005550

Deveshwar Kumar Kapila
Director
DIN : 00030614

Place : New Delhi
Dated : 29th May, 2017

Vineet Jain
Managing Director
DIN : 00107149

S.C.Malik
Director
DIN : 00107170

Soma Garg
Director
DIN : 01344773

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017



	As at 31.03.2017 (Rs./Lakh)	As at 31.03.2016 (Rs./Lakh)
A. Cash Flow from Operating Activities		
Net Profit before tax, exceptional items	5818.78	4751.87
Add/(Less) : Adjustments for		
Depreciation	686.23	743.09
Interest expenses	227.04	310.96
Interest Income	(111.10)	(85.37)
Loss/(Gain) on sale of fixed assets	(0.29)	(5.86)
Operating Profit before working capital changes	<u>6620.66</u>	<u>5714.69</u>
Add: Adjustments for change in working capital		
Trade and Other receivables	288.50	(846.00)
Inventories	(1202.70)	3915.13
Trade and Other Payables	425.77	(6101.44)
Net Cash Generated from operations	<u>6132.23</u>	<u>2682.38</u>
Direct Taxes paid/adjusted	<u>(1705.75)</u>	<u>(466.41)</u>
Net Cash from Operating Activities	<u>4426.48</u>	<u>2215.97</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2463.72)	(158.80)
Sale of Fixed Assets	0.29	6.06
Interest received	102.33	60.15
Increase in current investments	(1545.48)	(1768.12)
Increase in Long Term Advance	-	(1050.85)
Net Cash from Investing Activities	<u>(3906.58)</u>	<u>(2911.56)</u>
C. Cash Flow from Financing Activities		
Interest paid	(222.99)	(309.08)
Short Term Bank Borrowings-Buyer's Credit	1825.53	291.32
Repayment of long term borrowings	(432.60)	(345.70)
Payment of unsecured loans	(350.00)	-
Proceeds/(Payment) of short term advances	4.04	9.81
Increase/(Decrease) in Bank Borrowings	(238.24)	(3.05)
Net Cash used in Financing Activities	<u>585.74</u>	<u>(356.70)</u>
Net increase in Cash and cash equivalents	<u>1105.64</u>	<u>(1052.29)</u>
Opening Balance of cash and cash equivalents	1196.53	2248.82
Closing Balance of cash and cash equivalents	<u>2302.17</u>	<u>1196.53</u>

D. Notes on Cash Flow Statement

1. Figures in brackets represent cash outflow.
2. Cash flow does not include non cash items.
3. Cash and cash equivalents includes balance in fixed deposit/margin money account Rs.1864.10 Lakh (Previous Year Rs. 873.02 Lakh)

As per our report of even date annexed

For B.K. Shroff & Co.,
Chartered Accountants
Firm Registration No.302166E

Kavita Nangia
Partner
Membership No.90378

Rakesh Mundra
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Managing Director
DIN : 00107149

S.C.Malik
Director
DIN : 00107170

Soma Garg
Director
DIN : 01344773

Place : New Delhi
Dated : 29th May, 2017

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies & Notes on Accounts.

a) Method of Accounting

- i) The accounts of the Company are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies are consistent with generally accepted accounting principles.

b) Use of Estimates

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed Assets

Fixed assets are stated at cost. Cost includes financing cost till the commencement of commercial production, inward freight, duties & taxes, incidental expenses related to acquisition and is net of MODVAT / CENVAT. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalized.

Fixed assets acquired under hire purchase schemes are capitalized at their principal value and hire charges are expensed. Fixed assets taken on lease are not treated as assets of the company and lease rentals are charged off as revenue expenses.

Spares received along with the plant or equipment and those purchased subsequently for specific machines and having irregular use are being capitalized.

As per practice, expenses incurred on modernization / de-bottlenecking / relocation / relining of plant and equipment are capitalized. Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and value in use.

d) Investments

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

e) Inventories

Inventories (including licences in hand) are valued at lower of cost or net realisable value. Cost is determined using the First in First out (FIFO) formula. Finished goods and stock in process include cost of conversion and other costs incurred in bringing the inventories to their present location and conditions. Cost of machinery spares which can be used only in connection with plant & machinery and whose use is expected to be irregular are amortized proportionately over a period of residual useful life of machinery as technically evaluated. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

f) Foreign Currency Transactions

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. In respect of monetary assets and liabilities denominated in foreign currencies, exchange differences arising out of settlement are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the exchange rate on that date, the resultant exchange differences are recognised in the Statement of Profit and Loss.

g) Depreciation

Depreciation has been calculated on fixed assets on straight line method in accordance with schedule II of the Companies Act, 2013 except for building, vehicle, new line and power plant where depreciation is calculated on written down value method. Further useful life of Plant & Machinery including captive power plant has been considered as 18 years instead of 25 years on technical evaluation.

The Company used to provide depreciation upto 95% of assets value. From 01.10.2009 the Company is providing depreciation keeping the residual value to Re.1 instead of 5%.

Depreciation on amounts capitalized on account of foreign currency fluctuations, is provided prospectively over the residual life of the assets.

h) Research and Development

While revenue expenditure on research and development is charged against the profit of the year in which it is incurred, capital expenditure is shown as an addition to fixed assets.

i) Retirement benefits

i) Short term Employees Benefits.

All Employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, Wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the year during which the employee renders the related services.

- ii) The company has set up separate provident fund and superannuation trusts in respect of certain categories of employees. For other employees, provident fund is accrued on monthly basis in accordance with the terms of contract with the employees and is deposited with the "Statutory Provident Fund". Liability on account of retirement gratuity to the employees is being provided in accordance with the company's Group Gratuity Cash Accumulation Scheme with Life Insurance Corporation of India. The contributions to the Trusts are charged to the Profit & Loss Account.

iii) The company extends benefits of leave to the employees while in service as well as on retirement. Provision for leave encashment benefit is being made on the basis of actuarial valuation.

iv) Keyman insurance policy taken by the company on the life of its Keyman is valued at surrender value.

j) Borrowing Costs

Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred. Capitalisation of borrowing cost ceases when substantially all activities necessary to prepare the qualifying assets for its intended use or sale are complete.

k) Excise and other duties.

Excise duty has been accounted for in respect of goods cleared and provision has also been made for goods lying in bonded warehouse. Custom duty on material lying in bond and in transit is accounted for at the time of clearance thereof. This accounting treatment has no impact on the loss for the year. Sales tax paid is charged to Profit & Loss Account.

l) Claims and Benefits

Claims receivable and export benefits are accounted for on accrual basis.

m) Revenue Recognition

Sale of goods is recognized on dispatch to customers. Sales are net of returns, excise duty, sales tax / VAT but exclusive of trade discount and rebate.

n) Financial Derivatives Transactions

In respect of derivative contracts, premium paid gains / losses on settlement and provisions for losses for cash flow hedges are recognized in the Profit & Loss account.

o) Forward Exchange Contracts not intended for trade or speculation purpose.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange difference on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change except for difference in respect of liabilities incurred for acquiring fixed assets from a country outside India, in which case such difference is adjusted in the carrying amount of the respective fixed assets. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

p) Income from Investments / Deposits

Income from investments/deposits is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under Tax deducted at source.

q) Deferred Taxation

Deferred Taxation is calculated using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each Balance Sheet date the company re assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain or virtually certain as the case may be that sufficient actual taxable income will be available against which such deferred tax can be realized.

r) Earning Per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

s) Events occurring after Balance Sheet Date

Events occurring after the balance sheet date have been considered in the preparation of financial statements.

t) Contingent liabilities

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.

Contingent assets are neither recognized nor disclosed in the Financial Statement

2. Share Capital

a) Authorised

Particulars	No. of Shares		Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016	As at 31.3.2017	As at 31.3.2016
Equity Shares of Rs. 10 each				
At the beginning of the period	10,00,00,000	10,00,00,000	10000.00	10000.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	10,00,00,000	10,00,00,000	10000.00	10000.00

b) Issued

Particulars	No. of Shares		Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016	As at 31.3.2017	As at 31.3.2016
Equity Shares of Rs. 10 each fully paid up				
At the beginning of the period	89158825	89158825	8915.88	8915.88
Add: Additions during the period	-	-	-	-
At the end of the period	89158825	89158825	8915.88	8915.88

c) Subscribed and Paid up

Particulars	No. of Shares		Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016	As at 31.3.2017	As at 31.3.2016
Equity Shares of Rs. 10 each fully paid up				
At the beginning of the period @	89133121	89133121	8914.10	8914.10
Add: Additions during the period	-	-	-	-
At the end of the period	89133121	89133121	8914.10	8914.10

@ Does not include 15800 Shares (Previous year 15800 Shares) forfeited in earlier years, amount forfeited Rs.0.79 lacs (Previous year Rs.0.79 lacs) included in share capital subscribed and paid up.

Details of shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	Percentage	No. of Shares	
		As at 31.3.2017	As at 31.3.2016
Manish Jain	17.56	15649232	15649232
Gurukripa Finvest Private Ltd.	10.10	9000000	9000000
Sulabh Plantation & Finance Pvt. Ltd.	9.26	8250000	8250000
Arihant Exports Pvt Ltd	5.19	4627867	4627867
Shubh Exim Ltd.	5.05	4500000	4500000
PICUP	5.03	4481752	4481752

3. Reserve & Surplus

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
a) Capital Reserve	1452.78	1452.78
b) Revaluation Reserve		
At the beginning of the Year	1909.23	2573.05
Less: Depreciation for the year on amount added on revaluation transferred to Profit & Loss Statement	-	663.82
Revaluation Reserve Reversed (see note no. 11(d))	1909.23	-
At the end of the Year	-	1909.23
c) Profit & Loss Statement		
At the beginning of the Year	(1597.31)	(4590.70)
Add: Profit for the Year	3403.97	2993.39
At the end of the Year	1806.66	(1597.31)
Total (a+b+c)	3259.44	1764.70

4. Long Term Borrowings

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Secured		
Term Loans		
From Banks		
Rupee Loan (a)	197.94	597.95
Vehicle Loan (b)	22.61	55.20
Sub Total	220.55	653.15
Unsecured		
Inter Corporate Deposits	175.00	525.00
Total	395.55	1178.15

- a) Loan of Rs.197.94 Lakh(Previous year Rs.597.95 Lakh) are secured by 1st charge on New Plant & Machinery on pari-passu basis and 2nd Pari-passu charge by way of hypothecation of current assets of the Company, subject to existing charge of working capital bankers and assignment of project related documents, contract right interest, insurance contracts etc. and further guaranteed by the Managing Director.
- b) Secured by hypothecation of specified assets acquired out of the loan amount.
There is no default as on the Balance Sheet date in repayment of loans and interest.
The above loans are repayable as follows:

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Payable after 1 year	220.55	432.60
Payable after 2 years	-	220.55
Total	220.55	653.15

5. Other Long Term Liabilities

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Export Benefits received in advance	39.09	27.41
Total	39.09	27.41

6. Long Term Provisions

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Provisions for Employee Benefits	224.88	218.82

7. Short Term Borrowings

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Secured		
Loans repayable on Demand		
From Banks (a)	21.26	259.50
Other Loans & Advances		-
Foreign Currency Buyers Credit (a)	2116.85	291.32
Sub Total	2138.11	550.82
Unsecured		
Deferred Credit	68.17	1408.50
Total	2206.28	1959.32

- (a) Secured by hypothecation of book debts, raw-material, finished goods, semi-finished goods, consumable stores and spares including in transit and also secured by a second charge by way of mortgage of immovable properties both present and future and further guaranteed by the Managing Director.

8. Trade Payables

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Acceptances	7921.88	7143.04
Sundry Creditors		
a) Total outstanding dues of micro enterprises and small enterprises *	-	-
b) Total outstanding dues of Creditors other than micro enterprises and small enterprises	1126.89	703.68
Total	9048.77	7846.72

* The Company has not received intimation from other suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

9. Other Current Liabilities

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Current Maturities of Long Term Debts – Secured (a)(b) & (c)	432.60	430.56
Interest accrued but not due on borrowings	11.24	7.19
Advance from Customers	232.58	20.63
Other Payables (d)	2013.40	1154.74
Total	2689.82	1613.12

- a) Company has repaid Working Capital Term Loan and Rupee Term Loan restructured under CDR in earlier year. However the respective charge with ROC is yet to be satisfied.
- b) Loan of Rs.400 Lakh(Previous year Rs.400 Lakh) is secured by 1st charge on New Plant & Machinery on pari-passu basis and 2nd Pari-passu charge by way of hypothecation of current assets of the Company, subject to existing charge of working capital bankers and assignment of project related documents, contract right interest, insurance contracts etc. and further guaranteed by the Managing Director
- c) Vehicle Loan of Rs.32.60 Lakh (Previous year Rs. 30.56 Lakh) is Secured by hypothecation of specified assets acquired out of the loan amount.
- d) Amount to be credited to Investor Education & Protection Fund : Nil (Previous year Nil)

10. Short Term Provisions

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Provision for Tax (Net of TDS Rs.12.63 lakh, Advance Tax Rs.700 lakh and MAT credit utilisation Rs.802.02 lakh (previous year TDS Rs.16.11 Lakh)	459.98	991.47
Provision for Employee Benefits	258.18	243.41
Total	718.16	1234.88

11. **Tangible Assets**

(Rs./Lakh)

Description	Gross Block				Depreciation					Net Block	
	As At 01.04.2016	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2017	As at 01.04.2016	For The Year	Deductions/ Adjustments	*Impair- ment(c)	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
TANGIBLE ASSETS:											
Lease Hold Land	16.00	-	-	16.00	12.94	0.54	-		13.48	2.52	3.06
Free Hold Land	7.62	-	-	7.62	-	-	-		-	7.62	7.62
Office Premises (a)	62.96	-	-	62.96	23.97	1.03	-		25.00	37.96	38.99
Building	1993.86	-	-	1993.86	1431.06	43.58	-		1474.64	519.22	562.80
Plant & Machinery (b,c & d)	32079.29	243.19	7960.63	24361.85	29123.54	2072.16	7960.63	164.41	23399.48	962.37	2955.75
Electrical Installations	4926.18	-	-	4926.18	3274.95	253.15	-		3528.10	1398.08	1651.23
Office Equipments	390.29	14.07	-	404.36	377.37	5.38	-		382.75	21.61	12.92
Furniture & Fixtures	251.37	-	-	251.37	250.13	0.32	-		250.45	0.92	1.24
Vehicles	349.45	28.57	3.01	375.01	197.11	54.90	3.01		249.00	126.01	152.34
Live Stock	-	0.80	-	0.80	-	-	-		-	0.80	-
Total	40077.02	286.63	7963.64	32400.01	34691.07	2431.06	7963.64	164.41	29322.90	3077.11	5385.95
Previous Year	39958.87	158.80	40.65	40077.02	33324.61	1406.91	40.45	-	34691.07	5385.95	6634.26

- a) i) Since separate breakup of Rs. 62.96 Lakh being cost of office premises, furniture & fixtures and air conditioners at Mumbai are not available, depreciation has been provided on total cost as office premises.
ii) Includes cost of 5 shares (Previous year 5 shares) Rs.252 (Previous year Rs.252) in Arcadia Premises Co-operative Society Ltd., Mumbai.
- b) Effective 1st April 2014, the Company had revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April 2014 was depreciated over the revised remaining useful life. Based on technical evaluation, depreciation has been provided taking Plant & Machinery & Captive Power Plant Life to 18 years instead of 25 years as prescribed in the Schedule II of the Companies Act, 2013. Had the useful life be taken to 25 years the depreciator would have been Rs. 305.21 Lakh (Previous Year Rs.345.07 Lakh) instead of Rs.402.14 Lakh (Previous Year Rs.636.27 Lakh), resulting in excess charge of depreciation during the year by Rs.96.93 Lakh. (Previous Year Rs.291.20 Lakh)
- c) Please refer note 30(c)
- d) As reported in earlier years, the company had revalued its plant and machinery, resulting in net increase in its value by Rs. 7960.63 Lakh and created Revaluation Reserve to that an extent. The company has at the beginning of the year set off opening balance of Revaluation Reserve amounting Rs.1909.23 Lakh, with the carrying amount of Fixed Asset, as the assets against which such revaluation reserve was created stands fully depreciated. In view of above, the Gross Block and carry forward depreciation adjusted by revalued amount of Rs.7960.63 Lakh during the year.

12. **Deferred Tax Assets**

As required under Accounting Standard -22 'Accounting for taxes on income issued by The Institute of Chartered Accountant of India, the company is required to account for deferred taxation while preparing its accounts, the details of deferred tax/liabilities are as under:

(Rs./Lakh)

Particulars	As at 31.3.2016	Current Year	As at 31.3.2017
Deferred Tax Assets being tax impact thereon			
(i) Unabsorbed losses and/or depreciation carried forward as per Income tax laws	119.53	(119.53)	0.00
(ii) Expenses charged in the books, but allowance thereof deferred under Income tax laws	227.72	218.67	446.39
	347.25	99.14	446.39
Deferred Tax Liabilities being tax impact thereon			
Difference between written down value of block of assets as per Income tax laws and written down value of the fixed assets as per books of accounts.	49.25	(3.45)	45.80
	49.25	(3.45)	45.80
Net Deferred Tax Asset (Liability)	298.00	102.59	400.59

13. Other Non Current Assets
(Unsecured-considered good)

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Others	5.83	7.42
Total	5.83	7.42

14. Long Term Loans and Advances

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Capital Advances	-	1050.85
Total	-	1050.85

15. Current Investment (valued at lower of cost and fair value)

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Current Investment (Quoted)		
102593.27 Units (Previous Year 104713.05 Units) of Rs.1810.49 each of UTI-Money Market Fund-Institutional Plan - Growth	1857.44	1768.12
374693.91 Units (Previous Year Nil) of Rs.388.63 each of Birla Sun Life Cash Manager - Growth	1456.16	-
Aggregate Book Value of quoted investment	3313.60	1768.12
Market value of quoted investments	3333.42	1773.45

16 Inventories

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Raw Materials *	4337.60	4300.87
Work in Progress	364.21	364.29
Finished Goods		
-Own Manufactured	3866.19	2278.87
-Trading	4.38	4.24
Stores & Spares**	406.93	598.97
DEPB Licences in hand	34.82	564.47
Fuel	1055.45	767.41
Total	10069.58	8879.12
Basis of valuation	FIFO	FIFO

*includes goods in transit Rs.2285.89 Lakh (Previous year Rs.3344.46 Lakh)

** includes goods in transit Rs.32.91 Lakh (Previous year Rs.65.02 Lakh)

17. Trade Receivables
(Unsecured-considered good)

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Exceeding Six Months	45.68	156.68
Others - Considered Good	3188.81	3771.69
Total	3234.49	3928.37

Certain debit balances of sundry debtors are subject to confirmation and reconciliation. Difference, if any, shall be accounted for on such reconciliation.

18. Cash & Cash Equivalents

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Balances with Banks		
Held as margin/security	1864.10	873.02
Others	437.06	321.14
Cash in hand	1.01	2.37
Total	2302.17	1196.53

Bank deposit with more than 12 months maturity Rs.873.98 Lakh (Previous year Rs.825.27 Lakh)

19. Short Term Loans & Advances

(Unsecured-considered good)

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Loans to Staff (Considered Good)	13.88	17.92
Advances (Recoverable in cash or in kind or for value to be received)	569.02	432.39
Others	147.80	133.83
Total	730.70	584.14

20. Other Current Assets

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
Interest receivable on Loans & Deposits	72.52	63.75
Balance with Custom & Central Excise Authorities	405.15	136.54
MAT Credit Entitlement	656.41	1458.43
Total	1134.08	1658.72

21. Contingent Liabilities and Commitments

(To the extent not provided for)

Particulars	Amount (Rs./Lakh)	
	As at 31.3.2017	As at 31.3.2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	18.50	2019.72
(b) Contingent liabilities not provided for in respect of		
i) Guarantee(s) given by banks and financial institutions	183.96	111.96
ii) Letters of Credit outstanding	4568.72	2487.80
iii) Sales Tax/Excise Duty/Custom Duty/Other Statutory dues/Service Tax disputed in appeals	236.97	255.81
iv) Labour Cases disputed in appeal	5.50	5.42

22 In the opinion of the board the assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

23. Revenue from Operations

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Acrylic Fibre		
Gross Sales	49822.46	58159.46
Less: Excise Duty	3774.72	4838.77
Net Sales of Acrylic Fibre	46047.74	53320.69
Acrylic Yarn	38.88	40.07
Total	46086.62	53360.76

24. Other Income

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Interest	111.10	85.37
Claims Received	73.90	18.07
Exports Incentives/Benefits	342.14	415.46
Miscellaneous Receipts & Income	402.50	144.79
Prior year's Income/Adjustments	1.90	21.46
Gain on Exchange Fluctuation	187.60	-
Profit on sale of Assets	0.29	5.86
Total	1119.43	691.01

25. Cost of Materials Consumed

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Acrylonitrile	27404.67	31496.63
Vinyl Acetate Monomer	1896.81	2313.48
Others	2297.93	2669.37
Total	31599.41	36479.48

26. Purchases of Stock In Trade

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Yarn Purchase	19.48	23.49

27. (Increase) / Decrease in Stocks

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Closing Stock		
Finished Goods		
- Own Manufactured	3866.19	2278.87
- Trading	4.38	4.24
Stock in Process	364.21	364.29
Total	4234.78	2647.40
Opening Stock		
Finished Goods		
- Own Manufactured	2278.87	3836.04
- Trading	4.24	2.19
Stock in Process	364.29	400.78
Total	2647.40	4239.01
Decrease/(Increase)	(1587.38)	1591.61

28. Employee Benefits Expense

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Salaries & Wages	1746.23	1747.67
Contribution to Provident & Other Funds	168.70	134.21
Staff Welfare Expenses	58.45	50.80
Total	1973.38	1932.68

Employees Post Retirement Benefits :-

Particulars	Amount (Rs./Lakh)			
	Current Year		Previous Year	
During the year, the following contribution have been made under defined contribution plans:-				
Employer's Contribution to Provident Fund	43.37		39.82	
Employer's Contribution to Employees Pension Scheme	47.95		47.30	
Defined Benefit Plans	Gratuity	Leave Benefit	Gratuity	Leave Benefit
i) Assumptions				
Discount Rate	8.00%	7.75%	8.00%	7.75%
Salary Escalation	6.00%	9.50%	5.00%	9.50%
ii) Table showing changes in present value of obligations				
Present value of obligation as at beginning of year	445.07	206.23	432.05	190.79
Interest cost	35.61	15.98	34.56	14.83
Current Service Cost	24.28	21.24	22.42	21.72
Benefits Paid	(16.60)	(18.35)	(40.71)	(26.00)
Actuarial (gain)/loss on obligation	24.12	(5.28)	(3.25)	4.89
Present value of obligations as at end of year	512.47	219.82	445.07	206.23
iii) Table showing changes in the present value of plan assets				
Fair value of plan assets at the beginning of year	419.88	-	407.91	-
Expected return on plan assets	34.75	-	33.81	-
Contributions	47.57	-	18.87	-
Benefits paid	(16.60)	-	(40.71)	-
Actuarial gain / (Loss) on plan assets	-	-	-	-
Fair value of plan assets at the end of year	485.60	-	419.88	-
iv) Table showing fair value of plan assets				
Fair value of plan assets at the beginning of year	419.88	-	407.91	-
Actual return on plan assets	34.75	N.A	33.81	N.A
Contributions	47.57	-	18.87	-
Benefits paid	(16.60)	-	(40.71)	-
Fair value of plan assets at the end of year	485.59	-	419.88	-
Present value of obligation at the end of year	512.47	-	445.07	-
Funded Status	(26.88)	-	(25.20)	-
v) Actuarial Gain / Loss recognized				
Actuarial gain / Loss for the year – obligation	(24.12)	(5.28)	3.25	4.89
Actuarial (gain)/Loss for the year – plan assets	-	-	-	-
Total (gain) / Loss for the year	24.12	(5.28)	(3.25)	4.89
Actuarial (gain) / Loss recognized in the year	24.12	(5.28)	(3.25)	4.89
vi) The amounts to be recognized in the balance sheet and statements of Profit & loss				
Present value of obligations as at the end of year	512.47	219.82	445.07	206.23
Fair value of plan assets as at the end of the year	485.59	-	419.88	-
Funded status	(26.88)	(219.82)	(25.20)	(206.23)
Net Asset / (Liability) recognized in balance sheet	(26.88)	(219.82)	(25.20)	(206.23)
vii) Expenses recognized in statement of Profit & Loss				
Current services cost	24.28	21.24	22.42	21.72
Interest cost	35.61	15.98	34.56	14.83
Expected return on plan assets	(34.75)	-	(33.81)	-
Net Actuarial (gain)/Loss recognized in the year	24.12	(5.28)	(3.25)	4.89
Expenses recognized in statement of P&L	49.26	31.94	19.92	41.44
The Estimates of rate of future salary increase takes account inflation, seniority, promotion and other relevant factors on long term basis. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.				

29. Finance Costs

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Interest Expense	227.04	310.96
Bank Charges	320.90	319.38
Total	547.94	630.34

30. Depreciation, Impairment & Amortisation Expense

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Depreciation	686.23	743.09
Total	686.23	743.09

- a) Effective 1st April 2014, the Company had revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April 2014 was depreciated over the revised remaining useful life.
- b) Based on technical evaluation, depreciation has been provided taking Plant & Machinery & Captive Power Plant Life to 18 years instead of 25 years as prescribed in the Schedule II of the Companies Act, 2013. Had the useful life be taken to 25 years, the depreciation would have been Rs.305.21 Lakh (Previous Year Rs.345.07 Lakh) instead of Rs.402.14 Lakh (Previous year Rs.636.27 Lakh), resulting in excess charge of depreciation during the year by Rs.96.93 Lakh. (Previous Year Rs.291.20 Lakh)
- c) In pursuance of accounting standard 28 on impairment of assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has reviewed the future earnings of its cash generating units. Based on technical review the company has accounted for the impairment loss on certain Machinery having value of Rs.165.41 Lakh(Previous year Nil) due to failure to perform,after considering saleable value Rs.164.41Lakh has been written off in these accounts.

31. Other Expenses

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Consumption of Stores, Spare and Packing Materials	1126.81	758.37
Power & Fuel	3448.32	3762.39
Rent	188.00	170.53
Repairs to Buildings	70.36	24.30
Repairs to Machinery	260.53	180.84
Repairs-Others	46.76	48.19
Insurance	74.46	73.35
Rates & Taxes	17.95	16.33
Travelling & Conveyance	138.28	98.88
Rebates and Discounts	331.76	449.93
Commission & Brokerage	211.92	212.34
Freight Outward	1174.69	1315.43
Foreign Exchange Fluctuation Loss	-	469.71
Packing ,Handling & Finishing Charges	88.11	108.18
Bad Debts written off	345.08	-
Claim Paid/Irrecoverable Advances written off	16.47	3.51
Increase /(Decrease) of Excise Duty on Inventory	170.69	(175.78)
Miscellaneous Expenses *, #	437.22	381.72
Charity & Donation	0.80	0.99
Total	8148.21	7899.21

* Includes Rs.53.39 Lakh (Previous Year Rs. 16.74) being CSR expenses incurred by the company during the year in compliance of Section 135 of the Companies Act, 2013.

includes payment to auditors, details as under:

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
As Statutory Audit Fees	7.00	7.00
As Audit Fees for Quarterly Audited Results	3.79	3.75
As Tax Audit Fees	1.26	1.25
For Other Services	0.26	-
Total	12.31	12.00

32 Exceptional Items

Particulars	Amount (Rs./Lakh)	
	Current Year	Previous Year
Recompense on CDR Exit (a)	541.10	307.76
Total	541.10	307.76

- a) Based on reference of Allahabad Bank, the Lead Bank, a financial restructuring package was approved by Empowered Group of Corporate Debt Restructuring (CDR-EG) at its meeting held on November 09, 2004, COD April 1, 2004. Since the company has re-paid entire term loan and working capital term loan restructured under CDR as at 31.03.2016, Consequently, the recompense liability of Rs.848.86 Lakh has been provided, (Rs.307.76 Lakh in the Financial Year 2015-16 and balance during the current Financial year) along with interest thereon as principally agreed by the lenders.

33. Earnings Per Share (EPS)

Basic / Diluted Earnings Per Share	Amount (Rs./Lakh)	
	Current Year	Previous Year
Net Profit for the year before extra ordinary Items after tax (Rs./ Lakh)	3403.97	2993.39
Net Profit for the year after extra ordinary Items after tax (Rs./ Lakh)	3403.97	2993.39
Opening Balance of Equity Shares	89133121	89133121
Weighted Number of Equity Shares (viz. denominator) for basic earnings per share	89133121	89133121
Earnings per share before extra ordinary items	3.82	3.36
Earnings per share after extra ordinary items	3.82	3.36
Nominal Value per Equity Share (Rs.)	10.00	10.00

34. Related Party Disclosure:

Related Party disclosures, as required by AS-18 "Related Party Disclosures" are given below:-

1. Relationship

- | | |
|--|--|
| (i) Subsidiaries Companies | NIL |
| (ii) Joint Venture/Joint Control & Associates | NIL |
| (iii) Key management personnel (Whole Time Directors) | |
| Mr. Vineet Jain-Managing Director | Mr. Rakesh Mundra-Director (Finance) |
| Relatives of key managerial personnel (with whom transactions have taken place.) | Mr. Manish Jain-Brother and
Mrs. Garima Jain-Wife |
| (iv) Enterprises over which key management personnel/relative have significant influence | |
| Prabhat Capital Services Ltd | Accurex Traders Pvt. Ltd. |
| (v) Other related parties | |
| Pasupati Officer's Provident Fund Trust | |
| The Pasupati Acrylon Ltd. Employees Superannuation Scheme | |
| The Pasupati Acrylon Ltd. Employees Group Gratuity Scheme | |
2. The following transactions were carried out with related parties in the ordinary course of business.

(Rs./Lakh)

Particulars	Current Year			Previous Year		
	Key managerial personnel	Relatives of key managerial personnel	Others	Key managerial personnel	Relatives of key managerial personnel	Others
Salaries & Allowances	61.03	11.44		59.75	9.55	-
Rent/Lease Rent Paid	-	-	2.69	-	-	2.69
Loan Repaid	-	-	350.00	-	-	-
Interest Paid			45.41	-	-	47.25
Contribution to Gratuity / PF / Superannuation Fund	9.51	2.48	74.70	9.21	2.25	44.97

Note: Related party relationship is as identified by the company and relied upon by the auditors.



35. It is the management's opinion that since the company is exclusively engaged in the activity of manufacture of Acrylic Fibre, Tow/Tops, which are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India. However during the year, the company has incurred Rs. 3227.94 Lakh towards setting up a integrated CPP Film Project which has been shown under the head CWIP.
36. An employee of the Company defrauded Rs.126 Lakh (Previous year Rs.126 Lakh) in connivance with certain customers. During the year, criminal proceedings as initiated by the company has been decided and company has entered into a settlement with said employee to the effect that none of the party will have any claim to each other.
37. Foreign Currency exposure that are not hedged by derivative instrument or forward contracts as at 31.3.2017 amounts to Rs. 10106.90 Lakh (US\$ 135.10 Lakh and EURO 18.93 Lakh)(Previous Year 6997.57 Lakh (US\$ 106.61 Lakh).
38. Figures for the previous year have been regrouped / rearranged wherever considered necessary.
39. DETAILS OF SPECIFIED BANK NOTES (SBN'S) HELD AND TRANSACTED DURING 08.11.2016 TO 30.12.2016

Particulars	Amount (Rs./Lakh)		
	SBN'S	Other Notes	Total
Total closing cash in hand as on 08.11.2016	11.53	0.04	11.57
Permitted Receipts	-	23.02	23.02
Permitted payments	-	15.76	15.76
Amount deposited in Bank	11.53	-	11.53
Closing cash in hand as on 30.12.2016	-	7.30	7.30

40. Value of imported / indigenous Raw materials, Stores & spares consumed

Class of Goods	Current Year		Previous Year	
	Percentage	Amount (Rs./Lacs)	Percentage	Amount (Rs./Lacs)
Raw Materials				
Imported	93.92	29678.48	94.52	34478.66
Indigenous	6.08	1920.93	5.48	2000.82
Total	100.00	31599.41	100.00	36479.48
Stores & Spares				
Imported	0.84	9.34	7.89	59.87
Indigenous	99.16	1117.47	92.11	698.50
Total	100.00	1126.81	100.00	758.37

41. Other Information's

Particulars	Amount (Rs./Lacs)	
	Current Year	Previous Year
CIF value of Imports		
Raw materials	28090.32	31584.23
Stores & spares	13.02	27.92
Expenditure in Foreign Currency		
Travelling	52.03	37.33
Commission on export Sales. (excludes Rs.165.23 Lac (Previous year Rs. 232.08 Lac) paid to Iran in INR)	103.57	23.85
Interest & Other Charges	68.16	80.72
Earnings in Foreign Currency		
FOB value of exports (includes Rs.9591.52 Lac (Previous year Rs. 9796.09 Lac) export to Iran in INR)	6095.20	4509.62

As per our report of even date annexed

For B.K. Shroff & Co.,
Chartered Accountants
Firm Registration No.302166E

Kavita Nangia
Partner
Membership No.90378

Place : New Delhi
Dated : 29th May, 2017

Rakesh Mundra
Director (Finance) & Company Secretary
DIN : 00005650

Deveshwar Kumar Kapila
Director
DIN : 00030614

Vineet Jain
Managing Director
DIN : 00107149

S.C.Malik
Director
DIN : 00107170

Soma Garg
Director
DIN : 01344773



Pasupati Acrylon Limited

Registered Office : Thakurdwara, Kashipur Road, Distt. Moradabad, Uttar Pradesh - 244 601

Proxy form

[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)			
Registered Address			
E-mail Id			
Folio No /Client ID		DP ID	

I/We, being the member(s) of _____ shares of PasupatiAcrylon Ltd. hereby appoint :

1.	Name :		
	Address:		
	E-mail ID	Signature	
	or failing him		
2.	Name :		
	Address:		
	E-mail ID	Signature	
	or failing him		
3.	Name :		
	Address:		
	E-mail ID	Signature	
	or failing him		

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on the 27th day of September 2017at 10.00 a.m. at Thakurdwara, Kashipur Road, Distt. Moradabad (U.P) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(S)	Vote	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial for the year ended 31 st March 2017.		
2.	Re-appointment of Shri Vineet Jain, Director who retires by rotation.		
3.	Appointment of Statutory Auditors and fixation of their remuneration.		
SPECIAL BUSINESS			
4.	Re-appointment of Shri VineetJain, Managing Director and fixation of his remuneration.		
5.	Re-appointment of Shri Rakesh Mundra, Whole Time Director and fixation of his remuneration.		
6.	Remuneration payable to Cost Auditors.		

Signed this _____ day of _____ 2017	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Affix a Fifteen Paise Revenue Stamp </div>
Signature of the Shareholder: _____	
Signature of the Proxy Holder(s): _____	

Note:

1. 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.
2. The proxy need not be a member of the company.



Pasupati Acrylon Limited

Registered Office : Thakurdwara, Kashipur Road, Distt. Moradabad, Uttar Pradesh - 244 601

ATTENDANCE SLIP

Thirty Fourth Annual General Meeting on Wednesday, 27th September, 2017 at 10.00 A.M.

Name of Member (IN BLOCK LETTERS).....

Name of Proxy (IN BLOCK LETTERS)

(Name of the Proxy to be filled in if the proxy attends instead of the Member)

No. of Shares held

I / we hereby record my / our presence at the Thirty third Annual General Meeting of the Company held at Kashipur Road, Thakurdwara – 244 601, Distt. Moradabad (U.P).

Member's / Proxy's Signature

Note :

1. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.