

DUTRON POLYMERS LIMITED

Corp.Off : "Dutron House", Nr. Mithakhali Underbridge, Navrangpura, Ahmedabad - 9 (India)
Phones : 26561849, 26427522, Fax : (91) (79) 26420894 E-mail : sales@dutronindia.com



ISO 9001 : 2015
CERTIFIED COMPANY

11th September, 2019

To,
The Dept. of Corporate Services,
Bombay Stock Exchange Ltd.
Floor - 25, PJ Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 517437

Re: DUTRON POLYMERS LIMITED

SUB: Submission of Audit Report [Regulation 34(1)] for the year ended on 31st March 2019

Dear Sir,

With reference to the captioned we are herewith attaching Annual Report for the year ended 31st March, 2019 for DUTRON POLYMERS LIMITED.

This is for your kind perusal and record.

Thanking you.

Yours Faithfully,
For Dutron Polymers Limited

Roopa Shah
CS & Compliance Officer



DUTRON POLYMERS LIMITED

A large, coiled roll of white polymer pipe, secured with white straps, is the central visual element of the cover. The coils are arranged in a circular pattern, with the ends of the pipe extending outwards.

*Spreading Joy
Enhancing Lives*

**38th
Annual Report
2018-19**

Board of Directors : Sudip B. Patel DIN : 00226676
Chairman
Rasesh H. Patel DIN : 00226388
Managing Director
Alpesh B. Patel DIN : 00226723
Whole Time Director
Mitesh C. Shah DIN : 06641167
Independent Director
Kapilaben H. Patel DIN : 07150359
Woman Director
Rajendra Desai DIN : 08197675
Independent Director
(From 10th August, 2018)

Auditors : Manthan M. Shah & Associates
Chartered Accountants
B-414, Maradia Plaza,
Nr. Associated Petrol Pump,
C. G. Road, Ahmedabad - 380 006

Bankers : Corporation Bank
Opp. Navrangpura Bus Stop,
Navrangpura,
Ahmedabad - 380 009

The Ahmedabad Mercantile
Co-operative Bank Ltd.
(Scheduled Bank)
Amco House, Stadium Road,
Navrangpura,
Ahmedabad - 380 009

HDFC Bank Ltd.
Mithakhali Branch, Navrangpura
Ahmedabad - 380 009

Registered Office : "Dutron House",
Nr. Mithakhali Under Bridge,
Navrangpura, Ahmedabad - 380 009
E-mail : Investor@dutronindia.com

CIN : L25209GJ1981PLC004786

Factory : Block No. 642, At & P.O. Hariyala, N. H. 8,
Ta. Kheda, Dist. Kheda - 387 411, Gujarat

**Registrars & Share
Transfer Agent** : Cameo Corporate Services. Ltd.
Subramanian Building,
No. 1, Club House Road, Chennai - 600 002
E-mail : Cameo@cameoindia.com

NOTICE

Notice is given that the 38th ANNUAL GENERAL MEETING of the members of DUTRON POLYMERS LIMITED will be held on Wednesday, 11th September, 2019 at 11:30 a.m. at The Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad – 380 009 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2019, the Profit and Loss statement and Cash Flow statement along with notes for the year ended on that date together with Director's Report and Auditor's Report thereon and in this regard, pass the following resolution as Ordinary resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended 31st March, 2019, and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted”.

2. To declare dividend on equity shares for the financial year ended 31st March, 2019, and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT a dividend at the rate of ₹1.4 (Rupee One and Forty Paise only) per equity share of ₹ 10 (Rupees Ten) each fully paid-up of the Company be and is hereby declared for the financial year ended 31st March, 2019, and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31st March, 2019.”

3. To appoint a director in the place of Smt. Kapilaben H Patel (DIN: 07150359), who retires by rotation and being eligible, offers herself for reappointment. In this regard, pass the following resolution:

“RESOLVED THAT under the provisions of Section 152 of the Companies Act, 2013, Smt. Kapilaben H. Patel (DIN: 07150359), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

4. To appoint a director in place of Shri Alpesh B Patel (DIN: 00226723), who retires by rotation and being eligible, offers himself for reappointment. In this regard, pass the following resolution:

“RESOLVED THAT under the provisions of Section 152 of the Companies Act, 2013, Shri. Alpesh B Patel (DIN: 00226723), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS :

5. To reappoint Shri Rasesh H Patel (DIN: 00226388) as Managing Director and pass the following resolution as Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being enforce) and Articles of Association of the Company and subject to approval of Shareholders in the General Meeting, Shri Rasesh H. Patel (DIN: 00226388), Managing Director of the Company be and is hereby re-appointed as Managing Director of the Company with effect from 01st April, 2019 as per terms and conditions as mentioned in the agreement to be entered with him.”

“FURTHER RESOLVED THAT Shri Sudip B. Patel (DIN: 002226676), Shri Alpesh B. Patel (DIN: 00226723), Shri Mitesh C. Shah (DIN: 06641167), Smt. Kapilaben H. Patel (DIN: 07150359) and Shri Rajendra Desai (DIN: 08197675), Directors of the Company either jointly or severally be and are hereby authorised to do all such acts, deeds things etc. as may be required to comply with all formalities etc. as may be required to comply with all formalities in this regards.”

6. To pass the following resolutions as Ordinary resolution either with or without modifications:

“RESOLVED THAT Subject to the provisions of Section 197 of Companies Act, 2019 read with Schedule V thereof, as per the recommendations received from the remuneration and nomination committee, the company hereby authorize to the board of directors of the company are hereby authorize to pay the managerial remuneration upto ₹ 84 Lakh per annum to each of the managing personnel except the managing director, as decided by them from time to time after receiving the approval from the Nominations and remuneration committees.”

“FURTHER RESOLVED THAT in case of a period less than one year, the above limit shall be pro-rated.”

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The Above resolution shall remain in a force for a period of three years from the date of approval unless expressly rescinded by the members.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THAT A PROXY NEED NOT BE A MEMBER.

The instrument appointing the proxy, to be effective, should be duly signed and completed and must be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

2. Corporate Members intending to send their representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution along with specimen signature of the representative(s) authorised to attend and vote on their behalf at the Meeting. An appropriate Board Resolution must support proxies submitted on behalf of Corporate Members.
3. Members who have not encashed their dividend warrants for the financial year 2011-12 and onwards are requested to approach the Company for revalidation/obtaining duplicate warrants. Under the provisions of section 125 of the Companies Act, 2013; the amount of dividend remaining unclaimed for seven years shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Government.
4. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 11th September, 2018 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed at www.dutronindia.com/investors. The said details have also been uploaded on the website of the IEPF Authority, and the same can be accessed through the link: www.iepf.gov.in.
5. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. Given the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
6. A Statement under Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
7. The requirement for ratification of the appointment of the Auditors by members at the Annual General Meeting has been omitted by Section 40 of the Companies (Amendment) Act, 2017. Accordingly, the resolution for ratification of the Statutory Auditor of the company is not included in the notice.
8. The Equity Shares of the Company is listed at the Stock Exchange, Mumbai (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 (Company Code: 517437). The annual listing fee for the financial year 2019-20 has been paid to the Stock Exchange.
9. The Register of members and the Share Transfer Books of the Company will remain closed from 4th September, 2019 to 11th September, 2019 (both days inclusive).
10. Members of physical shares are requested to notify to the registrar any change in their address. Members are requested to register/update their email address with the Company/Depository Participants for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc. electronically.
11. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the Meeting to enable the management to keep the information ready.
12. All Members are requested to send a nomination for each member folio to the Company's Registrar.
13. The member representing more than one folio in same names (or same sequence of names in case of the joint name) are requested to approach the Company's Registrar for consolidation of their folios into a single folio for simplification.
14. At the Annual General Meeting, a member or his Proxy is requested to bring the copy of the Annual Report already circulated to the members.
15. Members/Proxies should bring the Attendance slip sent herewith duly filled in for attending the Meeting.

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16. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, Members holding shares in the dematerialised form are requested to submit the PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
17. Directors Shri Rasesh H Patel, Shri Alpesh B Patel, Shri Sudip B Patel and Smt. Kapilaben H Patel, are interested in resolution nos. 3 & 4 specified in the ordinary business.
18. In compliance with the provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, and clause 35B of the listing agreement with the stock exchange, the Company is providing its members with the option of voting by electronic means (e-voting). The members may cast their votes using an electronic voting system through remote e-voting services. Necessary Arrangement has been made by the company with Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.
19. The e-voting facility will include remote e-voting and the business set out in the Notice that will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are given below. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast a vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
20. The instructions and process for voting electronically (e-voting) by the members are as under :
 - i. The remote e-voting facility will be available during the following voting period :

Commencement of e-voting	From 9:00 a.m. on 8th September, 2019
End of e-voting	Upto 5:00 p.m. on 10th September, 2019

During this period, the shareholders of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) i.e. 4th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. The shareholders should log on to the e-voting website www.evotingindia.com
- iii. Click on "Shareholders" tab to cast your votes.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter their 8 digit Folio Number registered with the Company e.g. if your folio no. is 104, then enter 00000104.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form & Physical Form	
PAN	Enter your ten digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant/RTA are requested to use the first 2 characters of their name in CAPITAL letters and the 8 digits of the sequence number which is printed at the top on address label of the annual report e.g. if your name is Mukesh Patel, and sequence number is 45, then enter MU00000045 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or the company records to log in. If both the details are not recorded with the depository or company, please enter the Folio Number in the Dividend Bank details field as mentioned in instruction (iv) c.

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- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to enter their login password in the new password field mandatorily.
- 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 the utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN 190725014 for the relevant Dutron Polymers Limited to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. 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.
- xviii. Shareholders can also use Mobile app - “m - Voting” for e-voting. Shareholders may log in to m - Voting using their e-voting credentials to vote for the company resolution(s).
- xix. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, the user would be able to link the account(s) for which they wish to vote.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com, and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

BY ORDER OF THE BOARD OF DIRECTORS

Place : **Ahmedabad**
Date : **1st August, 2019**

S. B. PATEL
Chairman

Statement Pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 5

The Board of Directors of the Company (“Board”), at its meeting held on March 27, 2019 has, subject to the approval of members, re-appointed Shri Rasesh H Patel (DIN: 00226388) as Managing Director, for a period of 5 (five) years from the expiry of his present term, i.e. with effect from April 1, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Shri Rasesh H Patel as Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri Rasesh H Patel are as under:

- Period of Contract: Five Years from April 1, 2019 to March 31, 2024
- Salary: ₹ 9,00,000 per annual i.e. ₹ 75,000 per month, effective from April 1, 2019. For period less than a year, limit shall be pro-rated.
- Perquisites: In addition to above salary, the managing director is entitled to following perquisites:
 - (a) Leave Travel Concession
Return package for self and family, in accordance with rules made by the company on this behalf, subject to changes from time to time.
 - (b) Medical Reimbursement
Reimbursement of medical expenses or free medical services at the cost of company, for self or family members, either in India or any hospital abroad, as per the policy of the company.
 - (c) Use of car, telephone, club facility and other facilities
The company may provide facility of car, telephone, club or any other facilities to the managing director of the company for its business or personal use, from time to time, as per the policy of company.

Provided that total managerial remuneration including above perquisites shall not exceed limit prescribed under Section I of Schedule V of Companies Act, 2013; as amended from time to time.

- Contribution to Provident Fund, Superannuation Fund or Annuity Fund:
The contribution to Provident Fund, Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on remuneration to the extent. These singly or put together are not taxable under the Income Tax Act, 1961 or any other enactment for taxation of income thereafter.
- Gratuity: Gratuity payable shall not exceed half month's salary for each year of completed service subject to a ceiling of ₹ 10,00,000 as per the Payment of Gratuity Act, 1972 or as amended from time to time.
- Leave Encashment: The Managing Directors shall be entitled to one month leave for every completed year of service. Leave not availed for will be allowed to be encashed, as per policy of the company.
- Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year, the remuneration to the Managing Director shall be as per the provisions contained in Para 2 of Section II of Part II of Schedule V of Companies Act, 2013.
- The Managing Director, so long as he functions as such shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

Details of Shri Rasesh H Patel are provided in the Annexure-A to the Notice.

Shri Rasesh H. Patel is interested in the resolution set out at Item No. 5 of the Notice. Smt Kapilaben H Patel, Shri Alpesh B patel and Shri Sudip B Patel, being related to Shri Rasesh H Patel may be deemed to be interested in the said resolution.

The other relatives of Shri Rasesh H Patel may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

The Board of Directors of the Company (“Board”), at its meeting held on 27th March, 2019, has, subject to the approval of members, recommended to increase the maximum remuneration payable to the managerial personnel to ₹ 84 Lakh per annum in respect of each of managerial personnel. The above recommendation has been approved by the Nomination and Remuneration committee as well. As per the Schedule V of Companies Act, 2013, the approval of shareholders is necessary by way of special resolution for changes in the remuneration of managing personnel.

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The Managerial personnel has invested their considerable time and efforts in the growth of the company. Therefore, it is required that they should be paid remunerations at market rates.

This is the maximum limit of remuneration payable by the company to its managerial personnel. The Annual remuneration payable shall be decided by the Board of Directors on recommendations of Nomination and Remuneration committee, from time to time.

Details required as per provisions of Schedule V are provided in the Annexure -B to the Notice.

Shri Alpesh B. Patel and Shri Sudip B. Patel, are interested in the resolution set out at Item No. 6 of the Notice. Smt Kapilaben H. Patel and Shri Rasesh H. Patel, being related to Shri Alpesh B. Patel and Shri Sudip B. Patel, may be deemed to be interested in the said resolution.

The other relatives of Shri Alpesh B. Patel and Shri Sudip B. Patel may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

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

Place : **Ahmedabad**
Date : **1st August, 2019**

BY ORDER OF THE BOARD OF DIRECTORS

S. B. PATEL
Chairman

ANNEXURE - A TO NOTICE

Details of Directors Retiring by Rotation or Seeking Re-appointment at the Meeting

Particulars	Shri Rasesh Patel	Shri Alpesh Patel	Smt. Kapilaben Patel
Age	52	51	79
Qualifications	MS in Electrical Engineering, MBA	BE in Plastic Engineering, MBA	Graduate
Expertise in Specific Functional Area	More than 25 years of corporate experience in Operations Management & General Administration	More than 25 years of corporate experience in Marketing, Finance & Strategy	More than 4 years, as woman director
Terms and Conditions for Re-appointment	As per the resolution at item no. 5 of the Notice convening this Meeting read with explanatory statement thereto, Shri Rasesh Patel is proposed to be re-appointed as Managing Director	Liable to Retire by rotation	Liable to Retire by rotation
Last Drawn remuneration	₹ 6,00,000	Nil	Nil
Date of Appointment	01/04/1993	01/12/1993	31/03/2015
Shareholding in the Company as on 31st March, 2019	5,87,426	5,09,231	3,19,800
No. of Board Meetings attended in 2018-19	16	16	16
Directorship in Other Boards as on 31st March, 2019	Dutron Plastics Limited, Nippon Polymers Private Limited	Dutron Plastics Limited, Nippon Polymers Private Limited	Nil
Membership/ Chairmanship, of other Boards' Committees as on 31st March, 2019	Nil	Nil	Nil

ANNEXURE - B TO THE NOTICE

I. General Information:	
(1) Nature of industry	Manufacturing of Plastic Pipes
(2) Date or expected date of commencement of commercial production	Since 1981
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4) Financial performance based on given indicators	Net Profit of ₹ 209.66
(5) Foreign investments or collaborations, if any.	Nil
II. Information about the appointee:	Since no new directors are appointed, this information is not required
(1) Background details	
(2) Past remuneration	
(3) Recognition or awards	
(4) Job profile and his suitability	
(5) Remuneration proposed	
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	
III. Other information:	
(1) Reasons of loss or inadequate profits	Due to competition, we the margins have reduced
(2) Steps taken or proposed to be taken for improvement	The Company plans to enhance sales volume
(3) Expected increase in productivity and profits in measurable terms	It cannot be measured at this level

DIRECTORS' REPORT

To
The Members,
DUTRON POLYMERS LIMITED

Your directors are delighted to present the report on your company's business and operations for the year ended on 31st March, 2019.

OPERATING RESULTS AND BUSINESS

The performance of the Company during the year 2018-19 is summarized below:

	<u>2018-19</u>	<u>2017-18</u>
	(₹ in Lakh)	(₹ in Lakh)
Profit before Depreciation & Taxation	386.70	375.98
Depreciation	104.77	96.39
Provision for Taxation	72.26	98.06
Exceptional Items	—	—
Net Profit after Tax	209.67	181.53
Profit Available for Appropriation	252.03	311.91
Proposed Dividend	84.00	84.00
Transfer to General Reserve	50.00	50.00

FINANCIAL PERFORMANCE

Your Company has been able to provide 9.61% growth in revenue compared to the previous year. The Profit after Tax registered the increase of 15% during the year under consideration. Your directors expect a better performance in the next year.

DIVIDEND

Your directors recommend a dividend @ 14% on 60,00,000 equity shares of ₹ 10 each for the year ended 31st March 2019 which will be free of tax in the hands of shareholders.

INSURANCE

All the assets of the Company including inventories, building, plant & machinery are adequately insured.

DIRECTORATE

Under the provisions of the Companies Act, 2013, Shri Alpesh B Patel and Smt Kapilaben H Patel, Directors of the Company, retire at the ensuing Annual General Meeting of the Company and are eligible for reappointment. The Board recommends their reappointment as Directors of the Company.

SECRETARIAL STANDARDS

The applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively; have been duly followed by the Company.

FORMAL EVALUATION STATEMENT

Formal evaluation statement u/s 134(3)(p) of the Companies Act, 2013 is attached herewith to the report. The evaluation includes evaluation of board as a whole, individual director and of every committee of the board. The evaluation framework for assessing the performance of Chairman, Directors, Board and Committees comprises, inter-alia, of the following parameters:

- a. Directors bring an independent judgment on the Board's discussions utilizing his knowledge and experience, especially on issues related to strategy, operational performance and risk management.
- b. Directors contribute new ideas/insights on business issues raised by Management.
- c. Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.
- d. The Board / Committee meetings are conducted in a manner which facilitates open discussions and robust debate on all key items of the agenda.

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- e. The Board receives adequate and timely information to enable discussions/decision making during Board meetings.
- f. The Board addresses the interests of all stakeholders of the Company.
- g. The Committee is delivering on the defined objectives.
- h. The Committee has the right composition to deliver its objectives.

AUDITORS

M/s. Manthan M. Shah and Associates (FRN: 145136W), Chartered Accountants, Ahmedabad; the statutory Auditors of the Company has been appointed to hold office till the conclusion of 41st Annual General Meeting for a consecutive term of five years in the Annual General Meeting held on 25th September, 2017. They have confirmed that they are not disqualified from holding the office of the Statutory Auditor of the Company.

AUDITORS' REPORT

The observations made in the Auditors Report are self-explanatory and therefore, need not require any further comments by the Board of Directors.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act, 2013, the Board has appointed Ms Jolly Krutesh Patel, Practising Company Secretary to conduct the Secretarial Audit for the year 2018-19. The Board attaches herewith the secretarial audit report in Annexure - B to this report. There are no remarks or comments in the said report which requires clarifications by the Board.

ABSTRACTS OF ANNUAL RETURN

Pursuant to the requirement of 93(3) of the Companies Act, 2013, the abstract of annual return is attached herewith in Annexure - C of the report in prescribed Form No. MGT - 9.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to requirement under section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is at this moment confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

During the year, there were no employees, within the organisation, who received remuneration exceeding ₹ 60,00,000 p.a. or if employed for part of the year drawing remuneration over ₹ 5,00,000 p.m. as prescribed.

RISK MANAGEMENT POLICY

The Risk management policy of the company has been discussed in detail in the Management Discussion & Analysis Report which forms part of this Directors' Report, attached with the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/ transactions entered by the Company during the financial year with related parties were in

its ordinary course of business and on an arms' length basis.

During the year, the Company had not entered into any contract /arrangement/transaction with related parties which could be considered material by the policy of the Company on materiality of related party transactions. The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at www.dutronindia.com/investors/.

There were no materially significant related party transactions which could have potential conflict with the interest of the Company at large.

Members may refer to Note No. 33 to the financial statements which sets out related party disclosures under Ind AS.

CORPORATE GOVERNANCE

The Company has generally implemented the procedure and adopted practices in conformity with the Code of Corporate Governance as enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Management Discussion & Analysis and Corporate Governance Report are made a part of the Annual Report. A Certificate from the Auditors regarding the compliance of the conditions of the Corporate Governance is given in Annexure, which is attached hereto and forms part of Directors' Report.

NUMBER OF BOARD MEETINGS

During the year, the company had conducted a total 19 Board Meetings. Notice for them was given properly, and a due quorum was present at above meetings. The dates of the meetings are 12th April, 2018; 20th April, 2018; 5th May, 2018; 9th May, 2018; 28th June, 2018; 20th July, 2018; 30th July, 2018; 10th August, 2018; 14th August, 2018; 25th August, 2018; 1st September, 2018; 11th September, 2018; 22nd October, 2018; 1st November, 2018; 14th November, 2018; 24th January, 2019; 2nd February, 2019; 20th March, 2019; and 27th March, 2019.

NOMINATION AND REMUNERATION COMMITTEE

The Board has formed the nomination and remuneration committee as required under section 178(1) of the Companies Act, 2013. The company has disclosed policies as required under 178(3) of the Companies Act in its Corporate Governance Report, forming part of Directors' Report.

AUDIT COMMITTEE

The Board has constituted Audit Committee as required under section 177(1) of the Companies Act, 2013. The Composition of the same has been disclosed in Corporate Governance report forming part of Directors' Report. During the year, the Board has agreed to all recommendations of the audit committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is a responsible corporate citizen of our country and is concerned about its social responsibility. It is not mandated u/s 135 of the Companies Act, 2013 to contribute its profit towards CSR. However, the Company will contribute voluntarily when it has substantial profit and finds a good cause to help.

RISK MANAGEMENT

Your Company has an elaborate Group Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Risk Management Committee of the Company has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise-wide risk management framework; and (b) Overseeing that all the risks that the organisation faces such as Strategic and Commercial, Safety and Operations, Compliance and Control and Financial risks have been identified and assessed, and there is an adequate risk management infrastructure in place, capable of addressing those risks.

More details on Risk Management indicating development and implementation of Risk Management policy including identification of elements of risk and their mitigation are covered in Management Discussion and Analysis section, which forms part of this Report.

INTERNAL FINANCIAL CONTROL

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes.

An assurance on the effectiveness of internal financial controls is obtained through management reviews, self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal

DUTRON POLYMERS LIMITED

auditors during their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

VIGIL MECHANISM

The Company has established a robust Vigil Mechanism and a Whistle-blower policy by provisions of the Act and Listing Regulations. The Vigil Mechanism is supervised by an 'Ethics & Compliance Task Force' comprising a member of the Board as the Chairperson and senior executives as members.

Protected disclosures can be made by a Whistle-blower through an e-mail, or telephone or a letter to the Task Force or the Chairman of the Audit Committee. The Vigil Mechanism and Whistle-blower policy is put on the Company's website and can be accessed at www.dutronindia.com/investors/.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Plan referred to in this Report.
- The Company does not have any scheme of provision of money for the purchase of its shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- The Auditors have reported no fraud to the Audit Committee or the Board.

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

The particulars relating to the above has been given to the Annexure - A to Directors' Report.

ACKNOWLEDGEMENTS

Your Directors would like to acknowledge the continued support and co-operation from its all stakeholders who have helped the Company to sustain its growth during the year. The Directors express their deep sense of appreciation to all the employees for their commitment and initiative for the Company's growth. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

BY ORDER OF THE BOARD OF DIRECTORS

Place : **Ahmedabad**
Date : **8th May, 2019**

S. B. PATEL
Chairman

ANNEXURE - A TO DIRECTORS' REPORT

Disclosure as per the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY (FORM A)

Energy conservation measures carried out during the year are :

Nil

Form for disclosure of Particulars with respect to consumption of energy

Not Applicable

B. TECHNOLOGY ABSORPTION (FORM B)

Details are provided in Form B annexed hereto

Form for disclosure of particulars with respect to absorption of technology, research & development.

(a) Research and Development (R & D)

- | | |
|---|------------------|
| 1. Specific areas in which R & D carried out by the Company | : Nil |
| 2. Benefits derived as a result of the above R & D | : Not Applicable |
| 3. Plan of action | : Nil |
| 4. Expenditure on R & D | |
| (a) Capital | : Nil |
| (b) Recurring | : Nil |
| (c) Total | : Nil |
| (d) Total R & D expenditure as a percentage of total turnover | : Not Applicable |

b) Technology Absorption, Adaptation and Innovation

- | | | |
|--|---|--|
| 1. Efforts, in brief, made towards technology absorption | : | (i) Installation of new generation Die-Heads for production of uPVC submersible column pipes
(ii) CNC threading machine for threading of uPVC submersible column pipes and couplers |
| 2. Benefits derived as a result of the above efforts | : | (i) Improvement in quality (Tensile Strength) of uPVC submersible pipes
(ii) Enhanced product quality and accuracy of threads of uPVC submersible pipes |
| 3. Information regarding technology imported | | |
| (a) Technology imported | : | HDPE Pipe Manufacturing, Sales and Application |
| (b) Year of Import | : | 1993-94 |
| (c) Has technology been fully absorbed | : | Yes |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	2018-19 (₹)	2017-18 (₹)
Total foreign exchange outgo	22,15,66,380	12,69,08,311
Total foreign exchange earnings	-----	-----
Total foreign exchange outgo (Capital Goods)	-----	-----

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Ahmedabad
Date: 8th May, 2019

S. B. PATEL
Chairman

ANNEXURE - B TO DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Under Section 204(1) of the Companies Act, 2013 and

Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dutron Polymers Limited
Dutron House, Nr Mithakhali Underbridge
Navrangpura, Ahmedabad – 380 009

I have conducted a secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Dutron Polymers Limited (CIN: L25209GJ1981PLC004786) (from now on called "the Company") during the financial year from 1st April, 2018 to 31st March, 2019 ("the year" / "audit report" / "period under review").

I conducted the Secretarial Audit in a manner that provided me with a reasonable basis for evaluating the Company's corporate conducts/statutory compliances and expressing my opinion thereon.

I am issuing this report based on in verification of the 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 authorised representatives during the conduct of secretarial audit.

I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2019, 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.

1. I have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions / clauses of:
 - The Companies Act, 2013 (the Act) and the rules made there under;
 - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - The Depositories Act, 1996 and the regulations and bye-laws framed there under;
 - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
 - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - ii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India.
 - Listing agreements entered into by the Company with BSE Limited (BSE).

During the period under review, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.

I am informed that during / in respect of the year:

- The Company was not required to comply with the following laws / guidelines / regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:
 - i. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings (FEMA);

DUTRON POLYMERS LIMITED

- ii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment (FEMA);
 - iii. Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - iv. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - v. Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - vi. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - vii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
 - viii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
- There was no other law that was specifically applicable to the Company, considering the nature of its business. Hence the requirement to report on compliance with specific laws did not arise.
2. I further report that :
- a. The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. There was no change in the composition of the Board of Directors during the period under review.
 - b. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on the agenda were sent at least seven days in advance.
 - c. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
 - d. I am informed that at the Board Meetings held during the year:
 - No majority decisions were carried through; and
 - The decisions of the Board on other matters were unanimous, and no dissenting views have been recorded as part of the minutes.
3. I further report as regards the compliance mechanism in place that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines
4. I further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

Place : **Ahmedabad**
Date : **8th May, 2019**

JOLLY KRUTESH PATEL
Practising Company Secretary
ACS No. 37285
C.P. No. 21010

Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure - I to the report and forms an integral part of the report.

Annexure – I forming part of Secretarial Audit Report MR - 3

To,
The Members,
Dutron Polymers Limited
Dutron House, Nr Mithakhali Underbridge
Navrangpura, Ahmedabad – 380 009

Dear Sir,

My secretarial Audit Report (Form No. MR - 3) of even date for the financial year ended on 31st March, 2019 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for Compliances under other laws and regulations applicable to the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedure 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: **Ahmedabad**
Date: **8th May, 2019**

JOLLY KRUTESH PATEL
Practising Company Secretary
ACS No. 37285
C.P. No. 21010

ANNEXURE - C TO DIRECTOR'S REPORT**FORM NO. MGT - 9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2019**

[Pursuant To Section 92(3) of the Companies Act, 2013 And Rule No. 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN : **L25209GJ1981PLC004786**
- ii) Registration Date : **17th November, 1981**
- iii) Name of the Company : **DUTRON POLYMERS LIMITED**
- iv) Category / Sub-Category of the Company : Public Company / Limited by shares
- v) Address of the registered office and contact details :
Dutron House, Nr. Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009
Gujarat, India
E-mail : investor@dutronindia.com
Website : www.dutronindia.com
Tel. : +91 - 79 - 2656 1849
Fax : +91 - 79 - 2642 0894
- vi) Whether listed Company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agents, if any :
Cameo Corporate Services Ltd.
Subramanian Building, No. 1, Club House Road,
Chennai - 600 002
E-mail : cameo@cameoindia.com
Website : www.cameoindia.com
Tel. : +91 - 44 - 2846 0390 to 94
Fax : +91 - 44 - 2849 0129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the Company
1	Manufacture of Plastic Products	222	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	Nil				

DUTRON POLYMERS LIMITED

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				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.	PROMOTER									
1.	INDIAN									
a.	Individual / HUF	1903806	509600	2413406	40.22	2029096	446300	2475396	41.25	1.03
b.	Central Govt.									
c.	State Govt.(s)									
d.	Bodies Corporate	992125		992125	16.54	992125		992125	16.54	
e.	Banks / FI									
f.	Any Other									
	Sub Total (A) (1)	2895931	509600	3405531	56.76	3021221	446300	3467521	57.79	1.03
2.	FOREIGN									
a.	NRIs - Individuals		865050	865050	14.42		865050	865050	14.42	
b.	Other - Individuals									
c.	Bodies Corporate									
d.	Banks / FI									
e.	Any Other									
	Sub Total (A) (2)		865050	865050	14.42		865050	865050	14.42	
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)		2895931	1374650	4270581	71.18	3021221	1311350	4332571	72.21	1.03
B.	PUBLIC									
1.	INSTITUTIONS									
a.	Mutual Funds / UTI									
b.	Banks / FI									
c.	Central Govt.									
d.	State Govt. (s)									
e.	Venture Capital Funds									
f.	Insurance Companies									
g.	FIs									
h.	Foreign Venture Capital Funds									
i.	Other (specify)									
	Sub Total (B) (1)									
2.	NON-INSTITUTIONS									
a.	Bodies Corporate									
i)	Indian	36171		36171	0.60	26041		26041	0.43	-0.17
ii)	Overseas									

DUTRON POLYMERS LIMITED

b. Individuals										
i) Individual Shareholders holding nominal share capital upto ₹ 2 Lakh	622523	265460	887983	14.80	598415	235760	834175	13.90	-0.90	
ii) Individual Shareholders holding nominal share capital in excess of ₹ 2 Lakh	271560	75400	346960	5.78	347251		347251	5.80	0.02	
iii) Others (specify)	95645	362660	458305	7.64	97302	362660	459962	7.66	0.02	
Sub Total (B) (2)	1025899	703520	1729419	28.82	1069009	598420	1667429	27.79	-1.03	
Total Public Shareholding (B) = (B)(1) + (B)(2)	1025899	703520	1729419	28.82	1069009	598420	1667429	27.79	-1.03	
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS										
Grand Total (A+B+C)	3921830	2078170	6000000	100	4090230	1909770	6000000	100	0	

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Dutron Plastics Limited	551325	9.19		551325	9.19		
Nippon Polymers Pvt. Ltd.	440800	7.35		440800	7.35		
Jagruti Patel	406300	6.77		406300	6.77		
Kirtikumar Patel	465050	7.75		465050	7.75		
Rasesh Patel	580377	9.67		587426	9.79		0.12
Alpesh Patel	503136	8.39		509231	8.49		0.10
Sudip Patel	419543	6.99		426793	7.11		0.12
Kapilaben Patel	319800	5.33		319800	5.33		
Nita Patel	110900	1.85		150400	2.51		0.66
Jyotiben Patel	62200	1.04		71729	1.20		0.16
Trupti Patel	94003	1.56		99022	1.65		0.08
Shailesh Patel	26600	0.44		26600	0.44		
Hasmukhlal T. Patel HUF	39500	0.66		0	0		-0.66
Rupal Patel	22250	0.37		24750	0.41		0.04
Nilay Patel	131762	2.20		140579	2.34		0.15
Pooja Patel	45000	0.75		45000	0.75		
Bhoomi Patel	52035	0.87		67766	1.13		0.26
Total	4270581	71.18		4332571	72.21		1.03

DUTRON POLYMERS LIMITED

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

	Shareholding at the beginning of the year		Increase / Decrease in shareholding	Reason	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	4270581	71.18				
1) Rasesh Patel	580377	9.67			580377	9.67
			1000	Transfer	581377	9.69
			1000	Transfer	582377	9.71
			1000	Transfer	583377	9.72
			1049	Transfer	584426	9.74
			1000	Transfer	585426	9.76
			1000	Transfer	586426	9.77
			1000	Transfer	587426	9.79
2) Alpesh Patel	503136	8.39			503316	8.39
			149	Transfer	503285	8.39
			1478	Transfer	504763	8.41
			968	Transfer	505731	8.43
			3500	Transfer	509231	8.49
3) Sudip Patel	419543	6.99			419543	6.99
			2000	Transfer	421543	7.03
			2350	Transfer	423893	7.06
			1000	Transfer	424893	7.08
			1900	Transfer	426793	7.11
4) Nita Patel	110900	1.85			110900	1.85
			39500	Transfer	150400	2.51
5) Jyotiben Patel	62200	1.03			62200	1.03
			1000	Transfer	63200	1.05
			2000	Transfer	65200	1.09
			2204	Transfer	67404	1.12
			3525	Transfer	70929	1.18
			800	Transfer	71729	1.20
6) Trupti Patel	94003	1.56			94003	1.56
			1000	Transfer	95003	1.58
			1019	Transfer	96022	1.60
			3000	Transfer	99022	1.65
7) Hasmukhlal Patel (HUF)	39500	0.66			39500	0.66
			(39500)	Transfer	-----	-----
8) Rupal Patel	22250	0.37			22250	0.37
			200	Transfer	22450	0.37
			200	Transfer	22650	0.38
			500	Transfer	23150	0.39
			400	Transfer	23550	0.39
			1200	Transfer	24750	0.41

DUTRON POLYMERS LIMITED

	Shareholding at the beggining of the year		Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
9) Nilay Patel	131762	2.20			131762	2.20
			1000	Transfer	132762	2.21
			1042	Transfer	133804	2.23
			2000	Transfer	135804	2.26
			1950	Transfer	137754	2.30
			2825	Transfer	140579	2.34
10) Bhoomi Patel	52035	0.87			52035	0.87
			2002	Transfer	54037	0.90
			3444	Transfer	57481	0.96
			1760	Transfer	59241	0.99
			2900	Transfer	62141	1.04
			3825	Transfer	65966	1.10
			1000	Transfer	66966	1.12
			800	Transfer	67766	1.13
11) Dutron Plastics Limited	551325	9.19			551325	9.19
12) Nippon Polymers Pvt Ltd	440800	7.35			440800	7.35
13) Jagruti Patel	406300	6.77			406300	6.77
14) Kirtikumar Patel	465050	7.75			465050	7.75
15) Kapila Patel	319800	5.33			319800	5.33
16) Shailesh Patel	26600	0.44			26600	0.44
17) Pooja Patel	45000	0.75			45000	0.75
At the end of the year					4332571	72.21

DUTRON POLYMERS LIMITED

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

	Shareholding at the beginning of the year		Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1) Subramanian P.	131560	2.19			131560	2.19
			(2070)	Transfer	129490	2.16
			(1451)	Transfer	128039	2.13
			(154)	Transfer	127885	2.13
			(2985)	Transfer	124900	2.08
			(450)	Transfer	124450	2.07
			(99)	Transfer	124351	2.07
2) Atulesh Patel	120000	2.00			120000	2.00
3) Vijay M. Patel	112700	1.88			112700	1.88
4) Tushar Patel	64200	1.07			64200	1.07
5) Smitaben K. Patel	52500	0.88			52500	0.88
6) Ketan Bharkatumar Shah	40000	0.67			40000	0.67
7) Nilesh C. Shah	-----	-----			-----	-----
			40000	Transfer	40000	0.67
8) Veena Vasant Patel	35800	0.60			35800	0.60
9) Jinal Kiritkumar Patel	30400	0.38			22900	0.38
10) Krish Ajay Patel	24850	0.41			24850	0.41
11) Chhotalal P. Shah	40000	0.67			40000	0.67
			(40000)	Transfer	0	0

v) Shareholding of Directors and Key Managerial Personnel (KMP)

For Each of the Directors and KMP	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	% of total shares of the Company
A. Directors				
1) Sudip Patel	419543	6.99	426793	7.11
2) Rasesh Patel	580377	9.67	587426	9.79
3) Alpesh Patel	503136	8.39	509231	8.49
4) Mitesh Shah	5400	0.09	5400	0.09
5) Kapilaben Patel	319800	5.33	319800	5.33
6) Rajendra Desai	2200	0.04	2200	0.04
B. Key Managerial Personnel				
1) Bharatkumar R. Barot – CFO	0	0.00	0	0.00
2) Roopa R. Shah – Com. Secretary	0	0.00	0	0.00

V. INDEBTEDNESS

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

Amount in ₹	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	24726879	201010072	3200000	229936951
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	24726879	201010072	3200000	229936951
Change in Indebtedness during the financial year				
Addition	565120062	199187445	1025000	765332507
Reduction	(566216769)	(258918744)	(225000)	(825360513)
Net Change	(1096707)	(59731299)	800000	(60028006)
Indebtedness at the end of the financial year				
i) Principal Amount	23630173	142278773	4000000	169908946
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	23630173	142278773	4000000	169908946

DUTRON POLYMERS LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration Amount in ₹	Name of MD / WTD / Manager		Total Amount
		Sudip B. Patel	Rasesh H. Patel	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600000	600000	1200000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit	0	0	0
	- others, specify	0	0	0
	- Other Commission	0	0	0
5	Others, please specify	0	0	0
	Total (A)	600000	600000	1200000
	Ceiling as per the Act			

B) Remuneration to other Directors

Sr. No.	Particulars of Remuneration Amount in ₹	Name of Directors				Total Amount
		Alpesh B. Patel	Praful G. Shah	Mitesh C. Shah	Kapilaben H. Patel	
1	Independent Directors					
	Fee for attending board committee meetings	-	1500	1500	0	3000
	Commission	-	0	0	0	0
	Others, please specify	-	0	0	0	0
	Total (1)	-	1500	1500	0	3000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B) = (1+2)	0	1500	1500	0	3000
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act					-

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C) Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration Amount in ₹	Key Managerial Personnel		
		CFO	Com. Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	343893	224200	568093
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	343893	224200	568093

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

Dutron Polymers Ltd. was formed to manufacture Plastic Pipes and Fittings, as organized supplier to the industry at Dist. Kheda, Gujarat. The company had technical license from world leaders in the field M/s. Wavin Overseas, The Netherlands for manufacture HDPE, PVC pipes till 2006. Today, the Company has been recognised as one of the most reliable quality plastic pipes & fittings manufacturers in India. Its products HDPE, PVC & CPVC pipes and fittings cater to several market areas- agriculture, industries, building & construction and infrastructure projects. The Company is ISO 9001:2015 certified and has established itself as quality brand in all parts of the country, especially in Gujarat and neighbouring states.

ECONOMIC REVIEW

In spite of threat of US-China trade war creating volatility on global trade, the world economy grew at steady pace during 2018-19. Being a developing nation, India has been one of fastest growing country in the world, with economical growth around 7%. Government policies such as GST reforms, welfare schemes and thrust on infrastructure development have helped in domestic demand growth. The Polymers demand across the globe has grown by 5% whereas India's Polymers demand growth is around 9%. The tightening financial condition and stagnancy in various sectors may slowdown India's economy in short term, but the owing to its applications across various sectors, Polymers demand is expected to grow, and in long term, Indian Economy growth is likely to continue.

INDIA'S PLASTIC PIPE INDUSTRY

Pipes are used for transportation of oil, water, liquids, air, gases, semi solids etc. in segments such as Agriculture, Building & Construction, Industries and Infrastructure. Out of total pipe demand estimated at annual ₹ 30,000 Crores, majority of these pipes are plastic and are fast replacing metal pipes. Plastic pipes are made from different polymers like PVC, HDPE, CPVC and PP. What kind of plastic pipe to use, will depend on its application. The industry's supply capacity is higher than demand; and more capacities are being added by large, organised players during the year.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Easy availability of polymer raw materials and processing machineries, well known manufacturing methods, moderate investment requirements have made plastic pipe manufacturing an easy proposition for small scale entrepreneurs in India. Off late, emergence of CPVC as easily available material in India has prompted many small time producers to begin manufacturing of CPVC pipes along with existing PVC pipes. This has made market crowded with large number of small scale suppliers of plastic pipes in India. However, product quality, marketing capabilities and management of resources have made the difference between unorganised and organised suppliers. And after streamlining of indirect taxation via GST, it is advantage situation for established plastic pipe suppliers.

The plastic pipe industry continued to witness growth both globally and in domestic front. In recent years, government schemes such as affordable housing for all, water supply for every village, and now, plans for piped water for every household are helping and contributing growth of plastic pipes in India. In view of these promising signs, your company has decided to invest in capacity expansion of HDPE and PVC pipes.

BUSINESS OUTLOOK

To meet high seasonal demand of PVC Pipes, your company added PVC pipe capacity during the year. The high volume demand from Gujarat Government's Sardar Sarovar Narmada Nigam Limited's water distribution project continued in the first quarter of the year. However, due to budget problems and corruption scandal, the project execution was stopped after second quarter. Your company was able to get good business due to its presence through the distributors in many parts of India, resulting into sales growth of 10.3% during the year. In current year, efforts of further increasing Dutron's presence to more and more areas will continue.

Dutron has been one of the early users of Japan's Sekisui CPVC compound - 'Durastream' in India, and these CPVC pipes are established as quality products for hot and cold water plumbing system. HDPE pipe market growth largely depends on Agriculture season and Industrial projects. Thus, with India's economic growth, we shall see demand for Dutron's HDPE pipes also growing.

To cater to high seasonal demand, your company has planned to add production capacity of HDPE and PVC pipes during the year.

OPPORTUNITIES AND THREATS

The Government's various welfare schemes in irrigation, drinking water, affordable housing and Smart City projects will give a very good opportunity to increase the business of your company in coming years. Replacement of metal plumbing pipes with plastic pipes is increasingly taking place in India. Major risks and threats to your company are related to Global Economic Situation and how India is affected in this. The situation of economic downturn, if it comes, may make building and construction, farming and industrial sector not grow; and these may affect demand of your company's products.

BUSINESS, OPERATIONAL AND FINANCIAL RISKS

The major risks and concerns which may have an impact on the Company's business are as follows:

1. Indian Economy and International Economic trends
2. Foreign Currency rate fluctuations
3. Interest rate fluctuations and high rates on inflation
4. Unforeseen circumstances like natural calamities- floods, earthquakes-, closure due to violence
5. Delay in government spending on infrastructure and welfare schemes

Since the company is 100% dependent on import of raw material for CPVC pipes, fluctuations of foreign currency rate affect the most in profitability on CPVC pipes sales. However, it is expected that this fluctuation will decrease due to actions by RBI. Further, Plastic Pipes manufacturing industry is a competitive industry and reflects with demand-supply chain, trusted quality, and customer confidence is directly linked with economic factors like consumer reliance, technology and its upgradation etc.

INTERNAL CONTROL SYSTEMS

The Company has built adequate systems of internal controls towards achieving efficiency and effectiveness in operation, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws. The internal control mechanism comprises of well-defined organization structure, documented policy guidelines, pre-determined authority levels and processes commensurate with the level of responsibility.

FINANCIAL PERFORMANCE

The highlight of financial performance is discussed in the Director's Report. The Audit Committee also reviews the financial performance of the Company from time to time.

HUMAN RESOURCES MANAGEMENT

Dutron's belief in trust, transparency and teamwork has yielded improvement in employee efficiency at all levels. The Company's commitment to harmonious industrial relations resulted in enhancing the effectiveness of operations and enabled the achievement of benchmarks in industry. The Company's ongoing objective is to create an inspirational work climate where talented employees engage in creating sustained value for the stakeholders. The Company has developed an environment of harmonious and cordial relations with its employees.

CAUTION STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, estimates etc. may be "Forward-looking statements" within the applicable laws and regulations. Actual results may vary from those expressed or implied; several factors that may affect Company's operations include Dependency on telecommunication and information technology system, Government policy and several other factors. The Company takes no responsibility for any consequences of the decisions made, based on such statement and holds no obligation to update these in future.

FOR DUTRON POLYMERS LIMITED

Place: **Ahmedabad**
Date: **8th May, 2019**

S. B. PATEL
Chairman

CORPORATE GOVERNANCE REPORT

Corporate Governance is about commitment to values and ethical business conduct. Corporate Governance at DUTRON is a rigorous and well-established framework that helps to manage the Company's affairs in a fair, accountable and transparent manner. "Transparency" and "Accountability" which are the two columns of good governance are piped in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Responsible corporate conduct is integral to the manner that we conduct our business, and our actions are governed by values and principles, which are reinforced across all levels within the Company. Your Company has evolved guidelines and best practices over the years to ensure timely disclosure of information regarding our financials, performance, product offerings, distribution network and governance. Dutron Polymers Limited has established a tradition of the highest standards of corporate governance principals and best practices. The Company is committed to introducing corporate governance practices in tandem with domestics and international developments to position it to conform to the best governance practices. To succeed, maintain sustainable growth and create long-term value requires the highest standards of corporate discipline. Your Company continues to focus its resources, strengths and strategies on achieving these.

1. OUR GOVERNANCE PHILOSOPHY

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transference, accountability and equity in all facets of its operation and all its interactions with its stakeholders including shareholders, employees, the government, lenders and the society. The Company believes that all its operations and actions must focus on the goal of enhancing overall shareholder value, over a sustained period. Your Company continuously strives for excellence by adopting the best governance and disclosure practices. In this context, your Company has been making significant disclosures on the Board composition and functioning, management thoughts on the performance and outlook from time to time.

2. GOVERNANCE PRACTICES BEYOND REGULATORY REQUIREMENTS

Our governance practices go beyond the statutory and regulatory requirements. Our endeavour is more to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities. With this objective, we have formulated, among other things the following policy documents and introduced best practices of governance:

2.1 Code of Ethics

Our policy document on 'Code of Ethics', in essence, directs that our employees should conduct the business with integrity by excluding consideration of personal advantage. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in a professional, courteous and respectful manner.

2.2 Business Policies

Our 'Business Policies' contains the policy on fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety & environment and quality.

2.3 Prohibition of Insider Trading Policy

The Company has adopted a 'Code of Conduct for Prevention of Insider Trading' in accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. This Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. The said Code applies to all Directors and such Designated Employees who are reasonably expected to have access to unpublished price sensitive information relating to the Company.

2.4 Whistle Blower Policy

We have established a mechanism for our employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of our Code of Conduct & Ethics policy. Our whistleblower policy also safeguards the whistleblower from any adverse personnel action and allows direct access to the Chairperson of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee.

2.5 Risk Management

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risk, compliance risks and people risks.

- Foreign Exchange Risk: The Company's policy is to actively manage its long term foreign exchange risk within the framework laid down by the Company's FOREX Policy approved by the Board.

- Interest Rate Risk: Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigating strategy to minimise interest costs.
- Commodity Price Risk: The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods in all of its products. The Company proactively manages these risks in inputs through forward booking, inventory management, proactive management of vendor development and relationships. The Company's strong reputation for quality, product differentiation and service, the existence of a powerful brand image and a robust marketing network mitigates the impact of price risk on finished goods.
- Risk Element in Individual Businesses: Apart from the risks on account of interest rate, foreign exchange and regulatory changes, various businesses of the Company are exposed to certain operating business risks, which are managed by regular monitoring and corrective actions.
- Compliance Risk: The Company is exposed to risks attached to various statutes and regulations including the Competition Act, 2002. The Company is mitigating these risks through regular reviews of legal compliances, through internal as well as external compliance audits.
- People Risk: Retaining the existing talent pool and attracting new human resources are major risks. The Company has initiated various measures such as the rollout of the strategic talent management system, training and integration of learning activities.

3. BOARD ROOM PRACTICES

3.1 Board Charter

The Board of Directors has adopted a comprehensive board charter. The charter has set out matters relating to board composition, scope & functions of the board & committees, etc.

3.2 Tenure of Independent Director

Tenure of independent directors on the board of the Company shall not extend beyond stipulated years, subject to their re-appointment on retirement by rotation as per statutory provisions.

3.3 Director's Interactions with Shareholders

Shri Rasesh H. Patel and Shri Mitesh C. Shah interact with shareholders. The suggestions and queries are forwarded to the Company Secretary. The directors assure the shareholders that their Company is running smoothly and is rising in a steady yet sustainable manner over the period of times.

3.4 Meeting of Independent Directors with Operating Team

The independent directors of the company meet in executive sessions with the operating teams in each of the respective areas, on a regular basis as they deem necessary. These executive session discussions may include topics such as operating policies and procedures; risk management strategies; measures to improve efficiencies; performance and compensation; strategic issues for board consideration; flow of information to directors; management progression and succession and others as the independent directors may determine. During these executive sessions, the independent directors have access to members of management and other advisors, as the independent directors may determine and deem fit.

3.5 Commitment of Directors

The board meeting dates for the entire financial year are scheduled at the beginning of the year, and an annual calendar of meetings of the board and its committees are circulated to the directors. This enables the directors to plan their commitments and facilitates the attendance of all directors at the meetings of the board and its committees. Such planning of meetings enables the directors to plan their commitments, particularly in the context that the meetings of the board which normally extend over the entire working day.

4. GOVERNANCE PRACTICES BEING FOLLOWED TO PROMOTE THE INTERESTS OF OUR STAKEHOLDERS

We have in the recent past introduced several trendsetting governance practices to improve stakeholder satisfaction.

5. COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT

Dutron Polymers Limited is fully compliant with the mandatory requirements of Clause 49 of the Listing Agreement formulated by Securities and Exchange Board of India (SEBI). We present our report on compliance of governance conditions specified in Clause 49.

5.1 Board of Directors

5.1.1 Board Composition – Board Strength and Representation

As on March 31, 2019, the board consisted of six members. The Executive Directors look after the day-to-day business of the Company under the overall supervision and guidance of the Board. The Directors are professionals

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having expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The composition of and the category of directors on the board of the company are as under :

Category	Name of Directors
Promoter & Executive Director	Sudip B. Patel Rasesh H. Patel Alpesh B. Patel
Promoter & Women Director	Kapilaben H. Patel
Independent & Non- Executive Director	Praful G. Shah Mitesh C. Shah Rajendra Desai ¹ ¹ Shri Praful G. Shah has resigned as the director of the Company with effect from 10th August, 2018. Shri Rajendra Desai has been appointed as Independent Director of the Company with effect from 10th August, 2018. Therefore, the attendance records of both directors are given accordingly.

5.1.2 Conduct of Board Meetings

The day-to-day business is conducted by the officers and the managers of the Company under the direction of the Board led by the Chairman. The Board holds six to seven meetings every year to review and discuss the performance of the Company, its plans, strategies and other pertinent issues relating to the Company. The board performs the following specific functions in addition to the oversight of the business and the management:

- ◆ Review, monitor and approve major financial and business strategies and corporate actions
- ◆ Assess critical risks facing the Company and their mitigation
- ◆ Provide counsel on the selection, evaluation, development and compensation of senior management
- ◆ Ensure that processes are in place for maintaining the integrity of
 - the Company
 - the financial statements
 - compliance with law
 - relationships with all the stakeholders
 - delegation of appropriate authority to the senior executives of the Company or effective management of operations

5.1.3 Board Meetings

During the financial year under review, 19 Board Meetings were held on the following dates :

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	12th April, 2018	6	4
2	20th April, 2018	6	4
3	5th May, 2018	6	4
4	9th May, 2018	6	5
5	28th June, 2018	6	4
6	20th July, 2018	6	4
7	30th July, 2018	6	5
8	10th August, 2018	6	6
9	14th August, 2018	6	4
10	25th August, 2018	6	4
11	1st September, 2018	6	4
12	11th September, 2018	6	6
13	22nd October, 2018	6	4
14	1st November, 2018	6	6
15	14th November, 2018	6	4
16	24th January, 2019	6	4
17	2nd February, 2019	6	6
18	20th March, 2019	6	4
19	27th March, 2019	6	6

5.1.4 Attendance of directors at the Board Meetings held during the year and Attendance of the Directors at the Last Annual General Meeting (AGM) held on 11th September, 2018

Directors	Meetings In year	Meetings Attended	AGM Attended
Sudip B. Patel	19	19	Yes
Rasesh H. Patel	19	19	Yes
Alpesh B. Patel	19	19	Yes
Kapilaben H. Patel	19	19	Yes
Praful G. Shah	08	3	No
Mitesh C. Shah	19	7	Yes
Rajendra Desai	12	5	Yes

Notes:

- None of Directors has business relationship with the Company
- None of the Directors has receive a any loans / advances from the Company

5.1.5 Attendance and Other Directorships

None of the directors holds directorships in more than 15 public limited companies. Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and details of directorships (excluding private limited, foreign company and companies under section 25 of the Companies Act, 1956) and Chairmanships / Committee memberships held by the directors as on 31st March, 2019 are as follows :

Sr. No.	Directors	Category of Directorship **	Board Meetings Attended	Attendance at the last AGM	No. of Other Directorships Held	No. of Board Committees in which Member / Chairman
1	Sudip B. Patel	ED (P)	14	YES	3	1
2	Rasesh H. Patel	ED (P)	14	YES	2	1
3	Alpesh B. Patel	ED (P)	14	YES	2	1
4	Kapilaben H. Patel	NED (P)	14	YES	-	-
5	Mitesh C. Shah	NED (I)	5	YES	-	2
6	Rajendra Desai	NED (I)	4	YES	-	1

**ED (P): Executive Director & Promoter

NED (P): Non Executive Director & Promoter

NED (I): Non Executive & Independent Director

Notes :

- i. The information provided above pertains to the following committees by the provisions of Clause 49 of the Listing Agreement:
 - a) Audit committee
 - b) Shareholders/investors' grievances committee
- ii. Membership of committees includes Chairmanship if any.

5.1.6 Membership of Board Committees

No director holds membership of more than ten committees of Boards nor is any director a chairman of more than five committees of Boards.

5.1.7 Details of Directors

The abbreviated resumes of all Directors are furnished hereunder:

◆ **Sudip B. Patel**

He has B. E. in Chemical Engineering from L.D. College of Engineering, Ahmedabad and M. Tech from UDCT, Mumbai. He later completed his MBA from the USA. He is looking after production. He is also a key person for new product developments & R&D activities. He is also the Whole-time Director of the other group Companies: Dutron Plastics Limited, Nippon Polymers Private Limited and Cosmofil Plastisack Private Limited.

◆ **Rasesh H. Patel**

He possesses M. S. in Electrical Engineering & MBA from the USA. He is looking after Purchases, Automation

and MIS activities. He is also the Compliance Officer of the company and looks after all legal, stock exchange and SEBI requirements. Also, he is the Whole Time Director of the other group Companies: Dutron Plastics Limited and Nippon Polymers Private Limited.

◆ **Alpesh B. Patel**

He is B. E. in Plastic Engineering from Ahmedabad and MBA from the USA. He is Whole Time Director of the Company and looks after Marketing and General Administration. He has been instrumental in the expansion of the business and promoting the company's products in international markets, development of Brands and creating new markets. He is also Whole Time Director of the other group Companies Dutron Plastics Limited and Nippon Polymers Private Limited.

◆ **Kapilaben H. Patel**

She is graduate aged 79 years and has been inducted as Woman Director. Being wife of the founder of Dutron Group, she has been a witness to the growth of the entire business right from scratch to its current level, bringing her experience on management legacy and business ethics in the Company.

◆ **Mitesh C. Shah**

Shri Mitesh C. Shah, aged about 52 years is graduate in Commerce with over 25 years of experience in marketing, distribution and sales of plastic products. He has in-depth knowledge about applications of various plastic products in India, especially in pipes and fittings; in several segments of the market.

◆ **Rajendra Desai**

He is Engineer, having vast technical experience of more than 30 years in plastic processing. His expertise includes plastic processing and ancillary machinery design and development.

5.1.8 Insurance Coverage

The Company has not obtained director's liability insurance coverage in respect of any legal action that might be initiated against directors.

5.2 Details of Committees

5.2.1 Audit Committee

The Audit Committee was the first constituted on 31st January, 2003 which was reconstituted from time to time. The last reconstitution happened on 10th August, 2018. Audit Committee presently comprises of two Non-Executive Directors viz. Mitesh C. Shah as the Chairman of the Committee and Rajendra Desai. Another member includes Managing Director Rasesh H Patel.

All the members of the Audit Committee have good knowledge of finance, accounts and company law. The chairman of the committee has financial management expertise. The committee held four meetings during the year. The audit committee also advises the management in the areas where internal audit can be improved. The minutes of the meetings of the audit committee are placed before the board. The terms of reference of the audit committee are by all the items listed in Clause 49 (II) (D) and (E) of the listing agreement and section 177 of the Companies Act, 2013, as follows:

- 1) To monitor & look into the working of the following matters:
 - a) To recommend the appointment of statutory auditors, internal auditors and cost auditors and fixation of their remuneration and also deciding the fees for other services provided by them.
 - b) To review with statutory auditors their findings, suggestions and other related matters.
 - c) To review financial statements and to seek clarifications etc. from the statutory auditors, focusing primarily on the following points before submission to the Board:
 - i. Major accounting entries based on the exercise of judgment by management.
 - ii. Matters required for directors' responsibility statement included in the report of the Board of Directors.
 - iii. Any changes in accounting policies and practices.
 - iv. Qualifications in the draft statutory audit report.
 - v. Significant adjustments arising out of the audit.
 - vi. Compliance with listing and other legal requirements concerning financial statements.
 - vii. Any related party transactions.

- d) To review the adequacy of internal control system internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - e) To review the Company's accounting and risk management policies.
 - f) Reviewing with the management the quarterly financial statements before submission to the board for approval.
 - g) Looking into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.
 - h) To review the functioning of the Whistle Blower mechanism, in case the same exists.
 - i) Carrying out any other function as is mentioned in terms of reference of the audit committee.
- 2) Review the following information:
- i) Management discussion and analysis of financial condition and results of operations;
 - ii) Internal audit reports relating to internal control weaknesses;
 - iii) Management letters / letters of internal control weaknesses issued by statutory / internal auditors;
 - iv) Statement of significantly related party transactions; and
 - v) The appointment, removal and terms of remuneration of the auditor shall be subject to review by the Audit Committee.
- 3) The Audit Committee has the following powers:
- i) To investigate any activity within its terms of reference.
 - ii) To seek any information from any employee.
 - iii) To obtain outside legal and professional advice.
 - iv) To secure the attendance of outsiders with relevant expertise, if it considers it necessary.

Attendance at the Meetings of the Audit Committee held During the Year 2018-19

Directors	Meetings in year	Attended
Mitesh C. Shah	5	5
Praful G. Shah	3	3
Rajendra Desai	2	2
Rasesh H. Patel	5	5

The Audit Committee held meetings on 9th May, 2018; 30th July, 2018; 10th August, 2018; 1st November, 2018 and 2nd February, 2019. The meetings are regularly held throughout the year.

5.2.2 Nomination / Remuneration Committee

The Nomination/Remuneration Committee of the board is constituted to formulate from time to time,

- (a) Process for selection and appointment of new directors and succession plans; and
- (b) A compensation structure for the members of the board.

Shri Mitesh C. Shah is the Chairman of the Committee, and Shri Alpesh B. Patel and Shri Rajendra Desai are Member of the committee, a meeting of the committee was held on 9th May, 2018 for fixing the remuneration, etc. It further met on 10th August, 2018 and 27th March, 2019 for recommending the appointment of directors.

- **Non-Executive Directors:**

The Company currently has two Non-Executive Directors. Non-Executive Directors are not paid any remuneration. Executive Director Alpesh B. Patel is not paid any remuneration.

- **Executive Directors:**

The appointment of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Remuneration & Nomination Committee, Resolutions passed by the Board of Directors and Shareholders of the Company, which covers the terms of such appointment and remuneration, read with the service rules of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman Sudip B. Patel and Managing Director Rasesh H. Patel comprises of salary, perquisites and allowances, commission

DUTRON POLYMERS LIMITED

and contributions to Provident and other Retirement Benefit Funds as approved by the Shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on the review of achievements. It is aimed at attracting and retaining high caliber talent.

Total remuneration paid to Directors of the Company during the year ended March 31st March 2019 is ₹ 12.00 Lakh.

Particulars	Amount in ₹
Remuneration	10,56,000
Contribution to Provident Fund	1,44,000
Total	12,00,000

Notes:

- a. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- b. The Company has so far not issued any stock options to its directors.

Equity shares held by directors:

Particulars of Equity Shares held by the directors as on 31st March, 2019 is as follows:

Name of Directors	Equity shares held
Sudip B Patel	4,26,793
Rasesh H Patel	5,87,426
Alpesh B Patel	5,09,231
Kapilaben H Patel	3,19,800
Mitesh C Shah	5,400
Rajendra Desai	2,200

Directors' Remuneration Policy:

The Nomination / Remuneration Committee determines, the compensation of the directors including their commission and ESOPs. The key components of the Company's remuneration policy are:

- Compensation will be a major driver of performance and contribution.
- Compensation will be competitive and benchmarked with a selected group of Companies from the financial services sector.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant.

5.2.3 Shareholders / Investors' Grievances Committee

The Shareholders/Investors' Grievances Committee of the Board currently comprises

- Rasesh H. Patel - Chairman
- Mitesh C. Shah - Member
- Rajendra Desai - Member

The scope of the Committee is to approve transfers / transmissions of shares held in physical form / issuance of duplicate certificates, new certificates after split /consolidation and review and redressal of investor complaints.

Particulars of Investor's complaints received during the year 2018-19 are as follows:

Particulars	Queries Received	Queries Redressed
Transfer of Shares	Nil	Nil
Non-receipts of Annual Reports	Nil	Nil
Non-receipt of Dividend Warrants	Nil	Nil
Pending Share Transfer	Nil	Nil

The Particulars of meetings held during the year are furnished hereunder.

Directors	No. of Meetings Held	Nos. of Meetings Attended
Rasesh H Patel	5	5
Mitesh C Shah	5	5
Rajendra Desai	2	2

DUTRON POLYMERS LIMITED

The meetings were held on 09th May, 2018; 30th July, 2018; 10 August, 2018; 1st November, 2018 and 2nd February, 2019. The meetings are regularly held throughout the year.

6. GENERAL BODY MEETINGS

The Company held as last three Annual General Meetings as under :

- For 2015-16 at The Ahmedabad Textile Mills Association (ATMA) Hall, Ashram Road, Ahmedabad on Friday, 27th September, 2016 at 11:30 a.m.
- For 2016-17 at The Ahmedabad Textile Mills Association (ATMA) Hall, Ashram Road, Ahmedabad on Monday, 25th September, 2017 at 11:30 a.m.
- For 2017-18 at The Ahmedabad Textile Mills Association (ATMA) Hall, Ashram Road, Ahmedabad on Monday, 11th September, 2018 at 11:30 a.m.

7. MEANS OF COMMUNICATION

Information relating to the quarterly, half-yearly and yearly financial results of the Company is sent to the Stock Exchanges immediately on approval of the Board. These results are published generally in "Western Times" (Gujarati) and "Western Times" (English). Media Releases & significant developments in the Company have been made from time to time in the media. The Company has not made any presentation to the Institutional Investors or Analysts. These results are simultaneously posted on the website of the company at <http://www.dutronindia.com> and the website of Bombay Stock Exchange Ltd. Individual reminders are sent each year to those members whose dividends have remained unclaimed, before transferring the money to the Investors' Education & Protection Fund (IEPF).

8. DISCLOSURES UNDER SCHEDULE V OF COMPANIES ACT, 2013

All Elements of Remuneration Package	Please refer Part VI of Annexure - C to Directors' Report
Details of Fixed and Variable Components	There is no variable component in salary
Service Contract, Notice Period and Severance Fees	Director liable to retire by rotation. No severance fees are payable
Stock Options details	Not Applicable

9. GENERAL SHAREHOLDER INFORMATION

- 9.1 Annual General Meeting : Wednesday, 11th September, 2019 at 11:30 a.m.
Date, Time and Venue : The Ahmedabad Textile Mills Association (ATMA) Hall, Opp. Citi Gold Cinema, Ashram Road, Ahmedabad -380 009
- 9.2 Financial Year and Reporting : 1st April to 31st March
- Results for first quarter ending 30th June, 2019 : On or Before 15th August, 2019
- Results for second quarter ending 30th September, 2019 : On or Before 15th November, 2019
- Results for Third quarter ending 31st December, 2019 : On or Before 15th February, 2020
- Results for financial year ending 31st March, 2020 : On or Before 15th May, 2020
- Annual General Meeting 2019-20 : On or Before 25th September, 2020
- 9.3 Date of Book Closure : 4th September, 2019 to 11th September, 2019
- 9.4 Dividend payment Date : 16th September, 2019
- 9.5 Registered Office : "Dutron House", Nr. Mithakhali Underbridge, Navrangpura, Ahmedabad – 380 009
- 9.6 Registrar & Share Transfer Agent : Cameo Corporate Services Ltd.
Subramanian Building, No.1, Club House Road, Chennai - 600 002.
Tel. : 044-2846 0390 to 94 Email : cameo@cameoindia.com

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- 9.7 Address for Investors Correspondence : “Dutron House”, Nr. Mithakhali Underbridge,
: Navrangpura, Ahmedabad – 380 009
Tel: 079-2656 1849, 2642 7522 Fax: 079-2642 0894
E-mail : investor@dutronindia.com
- 9.8 Plant Location : Block No. 642, At & P.O. Hariyala, N.H. 8, Ta. Kheda,
Dist. Kheda - 387 411, Gujarat
- 9.9 Listing on Stock Exchanges : Bombay Stock Exchange Limited, Code: 517437
DEMAT ISIN in NSDL & CDSL : INE940C01015
- 9.10 Market Price Data during 2018-2019 :

Month	Dutron BSE Share Price		S & P BSE SENSEX	
	High	Low	High	Low
April 2018	143.45	105.00	35213.30	32972.56
May 2018	130.00	100.00	35993.53	34302.89
June 2018	135.70	98.05	35877.41	34784.68
July 2018	126.00	100.70	37644.59	35106.57
August 2018	199.75	113.05	38989.65	37128.99
September 2018	211.00	141.55	38934.35	35985.63
October 2018	148.25	119.00	36616.64	33291.58
November 2018	149.00	115.00	36389.22	34303.38
December 2018	151.90	120.75	36554.99	34426.29
January 2019	140.90	122.55	36701.03	35375.51
February 2019	145.80	112.05	37172.18	35287.16
March 2019	156.90	111.05	38748.54	35926.94

- 9.11 Distribution of Shareholding as on 31st March, 2019 :

Distribution of Shares (Slabwise)	No. of Shareholders	Percentage of Total Shareholders	Total Shares	Percentage of Shares
Up to 500	1256	79.24	2,10,687	3.51
501 - 1000	116	7.32	92,089	1.53
1001 - 2000	57	3.60	84,747	1.41
2001 - 3000	50	3.15	1,27,206	2.12
3001 - 4000	5	0.32	17,735	0.30
4001 - 5000	24	1.51	1,14,594	1.91
5001 & above	77	4.86	53,52,942	89.22
Total	1585	100.00	60,00,000	100.00

As on 31st March, 2019, out of 60,00,000 fully paid up equity shares of ₹ 10 each listed with the Stock Exchange, 40,90,230 shares have been demated. The price of shares as on the close of 31st March, 2019 was ₹112.50.

- 9.12 Dividend History for the last 10 Financial Years :

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Amount Declared per share (₹)
1	2017-18	11.09.2018	1.40
2	2016-17	25.09.2017	1.40
3	2015-16	27.09.2016	1.40
4	2014-15	25.09.2015	1.40
5	2013-14	25.09.2014	1.40
6	2012-13	26.09.2013	1.40
7	2011-12	21.09.2012	1.20
8	2010-11	22.09.2011	1.20
9	2009-10	24.09.2010	1.50
10	2008-09	17.09.2009	1.10

DUTRON POLYMERS LIMITED

9.13 Unclaimed Dividend/Share Certificates :

The dividend remaining unclaimed for a period of seven years is compulsorily to be deposited in Investors Education and Protection Fund (IEPF) Account in accordance with Provisions of the Companies Act, 2013 administered by the Central Government, which cannot be claimed by the Shareholders/Investors. Details of Unclaimed Dividend and due dates for transfer are as follows :

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date of Transfer to IEPF Account
1.	2011-12	21.09.2012	1,02,703	September, 2019
2.	2012-13	26.09.2013	1,12,140	October, 2020
3.	2013-14	25.09.2014	1,11,765	October, 2021
4.	2014-15	25.09.2015	1,01,087	October, 2022
5.	2015-16	27.09.2016	1,10,077	October, 2023
6.	2016-17	25.09.2017	1,29,029	October, 2024
7.	2017-18	11.09.2018	1,47,093	October, 2025

During the Financial Year under review, the Company has transferred ₹ 84,433 to Investors Education and Protection Fund towards Unclaimed Dividend for the financial year 2010-11.

9.14 Code of Conduct :

The company adopted the code of conduct and ethics for directors & senior management. The code has been circulated to all the members of the board and senior management. The board members & senior management have affirmed their compliance with the code and a declaration signed by the Chairman of the company is given below:

“It is hereby declared that the company has obtained from all members of the board and senior management affirmation that they have complied with the code of conduct for directors & senior management of the company for the year 2018-19.”

9.15 Review of Directors Responsibility Statement :

The board in its report has confirmed that annual accounts for the year ended on 31st March, 2019 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
DUTRON POLYMERS LIMITED

We have examined the compliance of conditions of **Corporate Governance** by **Dutron Polymers Limited** ('the Company') for the year ended on 31st March, 2019, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof adopted by the Company for ensuring the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

We state that no grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors' Grievances Committee / Management of the Company.

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

FOR MANTHAN M. SHAH & ASSOCIATES
Chartered Accountants

Place : **Ahmedabad**
Date : **8th May, 2019**

MANTHAN SHAH
Partner
Membership No. : 150534
Firm Reg. No. 145136W

CFO CERTIFICATION

I, Bharatkumar R.Barot, Chief Financial Officer, certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2019 and state that to the best of our knowledge and belief:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.

- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We further certify that we have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control system during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

FOR DUTRON POLYMERS LIMITED

Place : **Ahmedabad**

Date : **8th May, 2019**

B. R. BAROT

CFO

INDEPENDENT AUDITORS' REPORT

To
The Shareholders of
DUTRON POLYMERS LIMITED

OPINION

We have audited the accompanying Standalone financial statements of M/s. **Dutron Polymers Limited** ("the Company") which comprises the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, Statement of Changes in the Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2019, and the Statement of Profit & Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date.

BASIS OF OPINION

We conducted our audit by the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITORS RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for 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, those above standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. Based on the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. Concerning 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. Concerning the other matters to be included in the Auditor's Report by Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable material losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR MANTHAN M. SHAH & ASSOCIATES
Chartered Accountants

MANTHAN SHAH
Partner
Membership No. : 150534
Firm Reg. No. 145136W

Place: **Ahmedabad**
Date: **8th May, 2019**

Annexure - A to Independent Auditors' Report

(Referred to in paragraph 2(f) 'Report of Other Legal and Regulatory Requirements'
of our Independent Auditors' Report of even date)

1. Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme for physical verification of fixed assets in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to information and explanations given by the management, the title deeds / lease deeds of immovable properties including Plant & Equipment are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year, and no material discrepancies were noticed on such physical verification.
3. Loans:
 - (a) The Company has granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations provided to us, the terms and conditions of the grant of such loans are prima facie not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted, and the repayment/receipts are regular.
 - (c) The Principal and interest are not overdue in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
4. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Companies Act, 2013 and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees given and securities given have been complied with by the Company.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order do not apply to the Company.
6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have, however, not made a detailed examination of the same.
7. Statutory Dues:
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.
 - (b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company, there are no dues of Income-Tax, Sales-Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods and Service Tax and Cess which have not been deposited on 31st March, 2019, on account of any dispute.
8. In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

DUTRON POLYMERS LIMITED

9. In our opinion and according to the information and explanations provided by the management, the Company has utilised the monies raised by way of debt instruments and term loans for the purposes for which they were raised.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order do not apply to the Company and hence, not commented upon.
13. According to the information and explanations provided by the management, transactions with the related parties comply with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with Directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 do not apply to the Company.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. : 150534

Firm Reg. No. 145136W

Place: **Ahmedabad**

Date: **8th May, 2019**

Annexure – B to Independent Auditors' Report
REPORT ON 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 Dutron Polymers Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 judgment, 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 control 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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. 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 authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

DUTRON POLYMERS LIMITED

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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, 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 issued by the Institute of Chartered Accountants of India.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

Place: **Ahmedabad**

Date: **8th May, 2019**

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<u>I. ASSETS</u>			
(1) Non-Current Assets			
(a) Property, Plant & Equipments	1	8,73,86,828	8,11,56,563
(b) Capital Work-in-Progress			
(c) Other Tangible Assets			
(d) Biological Assets other than bearer Plants			
(e) Deferred Tax Assets (Net)			
(f) Financial Assets			
(i) Loans	2	61,06,169	60,12,732
(ii) Other Financial Assets	3	2,33,30,639	2,06,75,664
(g) Other Non-Current Assets			
Total Non-Current Assets		11,68,23,636	10,78,44,959
(2) Current Assets			
(a) Inventories	4	12,32,05,790	13,79,24,454
(b) Financial Assets			
i) Investments			
ii) Trade Receivables	5	13,51,00,269	22,58,13,033
iii) Cash & Cash Equivalents	6	34,28,320	6,47,787
iv) Bank Balances other than (iii) above			
v) Loans			
vi) Other Financial Assets	7	77,96,692	49,79,749
(c) Other Current Assets			
(d) Assets classified as held for sale			
Total Non-Current Assets		26,95,31,071	36,93,65,023
Total Assets		38,63,54,707	47,72,09,982
Significant Accounting Policies	31		

Notes to Accounts referred to above and notes attached thereto form an integral part of Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

R. R. SHAH
Company Secretary

B. R. BAROT
CFO

Place: **Ahmedabad**
Date: **8th May, 2019**

FOR DUTRON POLYMERS LIMITED

S. B. PATEL
Chairman
DIN : 00226676

R. H. PATEL
Director
DIN : 00226388

A. B. PATEL
Director
DIN : 00226723

M. C. SHAH
Director
DIN : 06641167

K. H. PATEL
Director
DIN : 07150359

R. D. DESAI
Director
DIN : 08197675

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
<u>II. EQUITY AND LIABILITIES</u>			
Equity			
(a) Equity Share Capital	8	6,00,00,000	6,00,00,000
(b) Other Equity	9	10,96,89,866	11,06,77,052
Total Equity		16,96,89,866	17,06,77,052
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	10	14,22,78,773	20,20,10,072
ii) Other Financial Liabilities	11	40,00,000	32,00,000
(b) Provision	12	1,84,83,489	1,55,27,065
(c) Other Non-Current Liabilities		45,67,254	46,72,362
(d) Deferred Government Grant			
Total Non-Current Liabilities		16,93,29,516	22,54,09,499
(2) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	13	2,36,30,173	2,47,26,880
ii) Trade Payables			
A) Total Outstanding dues of MSME Payables			
B) Total Outstanding dues of other than MSME Payables	14	2,35,528	3,54,82,364
iii) Other Financial Liabilities	15	18,75,925	16,26,902
(b) Provisions	16	1,38,08,625	1,39,65,317
(c) Current Tax Liabilities	17	77,85,074	53,21,968
(d) Other Current Liabilities			
Total Current Liabilities		4,73,35,325	8,11,23,431
Total Liabilities		21,66,64,841	30,65,32,930
Total Equity & Liabilities		38,63,54,707	47,72,09,982
Significant Accounting Policies	31		

Notes to Accounts referred to above and notes attached thereto form an integral part of Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

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FOR DUTRON POLYMERS LIMITED

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R. H. PATEL

Director

DIN : 00226388

M. C. SHAH

Director

DIN : 06641167

R. D. DESAI

Director

DIN : 08197675

Place: Ahmedabad

Date: 8th May, 2019

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	Year Ended 31st March, 2019 ₹	Year Ended 31st March, 2018 ₹
I Revenue from Operations	18	1,25,66,11,097	1,14,31,11,465
Less : Duties and Taxes		(19,30,44,938)	(17,29,31,904)
		1,06,35,66,159	97,02,79,561
II Other Income	19	64,73,129	16,70,781
III Total Revenue (I+II)		1,07,00,39,288	97,19,50,342
IV <u>Expenses :</u>			
Cost of Materials Consumed & Direct Expenses	20	95,54,64,718	87,59,08,920
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	21	(78,54,942)	(1,58,19,939)
Employee Benefit Expenses	22	5,84,96,507	4,90,66,100
Finance Cost	23	1,63,74,811	1,66,03,331
Depreciation and Amortization Expenses	24	1,04,77,314	96,39,236
Other Administrative Expenses	25	88,88,303	85,93,740
Total Expenses (IV)		1,04,18,46,711	94,39,91,388
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		2,81,92,577	2,79,58,954
VI Exceptional Items		0	0
VII Profit before Extraordinary Items and Tax (V-VI)		2,81,92,577	2,79,58,954
VIII Extraordinary Items		0	0
X Profit Before Tax (VII-VIII)		2,81,92,577	2,79,58,954
X <u>Tax Expense :</u>			
- Current Tax		(73,31,000)	(93,00,000)
- Excess Provision Written Back (Earlier Year)		0	(3,713)
- Deferred Tax		1,05,107	(5,02,683)
XI Profit (Loss) from the Period from Continuing Operations	(IX-X)	2,09,66,684	1,81,52,558
XII Profit (Loss) from Discontinuing Operations		0	0
XIII Tax expense of Discontinuing Operations		0	0
XIV Profit (Loss) from Discontinuing Operations (XII-XIII)		0	0
XV Profit (Loss) for the Period (XI+XIV)		2,09,66,684	1,81,52,558
XVI Earning per Equity Share :			
(1) Basic		3.49	3.03
(2) Diluted		3.49	3.03
Significant Accounting Policies	31		

Notes to Accounts referred to above and notes attached thereto form an integral part of Profit & Loss Statement.

This is the Profit & Loss Statement referred to in our Report of even date.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

R. R. SHAH
Company Secretary**B. R. BAROT**
CFO**S. B. PATEL**
Chairman
DIN : 00226676**M. C. SHAH**
Director
DIN : 06641167**R. H. PATEL**
Director
DIN : 00226388**K. H. PATEL**
Director
DIN : 07150359**A. B. PATEL**
Director
DIN : 00226723**R. D. DESAI**
Director
DIN : 08197675Place: **Ahmedabad**
Date: **8th May, 2019**

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2019

NOTE NO. 1 PROPERTY, PLANT & EQUIPMENTS AS AT 31ST MARCH, 2019

Sr. No.	Particulars	Gross Block					Depreciation				Net Block	
		Balance as at 01-04-2018 ₹	Additions ₹	Deductions during the year ₹	Balance as at 31-03-2018 ₹	5% Residual Value ₹	Balance as at 01-04-2018 ₹	Deduction ₹	Depreciation for the Year ₹	Balance as at 31-03-2019 ₹	WDV as at 31-03-2019 ₹	WDV as at 31-03-2018 ₹
1	Land - A	1,769,700	0	0	1,769,700	0	0	0	0	0	1,769,700	1,769,700
2	Land - B	165,771	0	4,528	161,243	0	0	0	0	0	161,243	165,771
3	Factory Building - A	27,09,792	0	0	27,09,792	0	0	0	0	27,09,792	0	0
4	Factory Building - B	2,61,65,511	0	0	2,61,65,511	0	2,61,65,511	0	0	2,61,65,511	0	0
5	Factory Building - B	0	8,20,422	0	8,20,422	0	0	27,347	27,347	0	7,93,075	0
6	Furniture	600,497	109,378	0	709,875	0	289,305	53,935	343,240	366,635	311,192	311,192
7	Electric Fittings - B	7,964,381	2,608,727	0	10,573,108	0	5,097,324	986,370	6,083,694	4,489,414	2,867,057	2,867,057
8	Plant & Machinery - B	137,991,094	10,974,994	0	148,966,088	0	71,807,103	8,189,548	79,996,651	68,969,437	66,183,991	66,183,991
9	Factory Equipment	1,497,596	495,717	0	1,993,313	0	868,651	96,561	965,212	1,028,101	628,945	628,945
10	Office Equipment	51,483	0	0	51,483	0	51,483	0	51,483	0	0	0
11	Technical Know How	2,560,385	0	0	2,560,385	0	2,432,619	47,271	2,479,890	80,495	127,766	127,766
12	Laboratory Equipment	1,780,123	180,000	0	1,960,123	0	841,761	153,496	995,257	964,866	938,362	938,362
13	Computer	112,875	18,220	0	131,095	0	94,558	16,015	110,573	20,522	18,317	18,317
14	Vehicles	4,525,439	0	0	4,525,439	241,214	2,044,692	249,422	2,294,114	2,231,325	2,480,747	2,480,747
15	Dies & Moulds - A	6,093	0	0	6,093	0	6,093	0	6,093	0	0	0
16	Dies & Moulds - B	10,273,547	1,504,649	0	11,778,196	0	4,608,832	657,349	5,266,181	6,512,015	5,664,715	5,664,715
	Total of Current Year	19,81,74,287	1,67,12,107	4,528	21,48,81,866	2,41,214	11,70,17,724	0	1,04,77,314	12,74,95,038	8,73,86,828	8,11,56,563
	Total of Previous Year	195,362,474	2,811,813	0	198,174,287	241,214	107,378,488	0	9,639,236	117,017,724	81,156,563	87,983,986

DUTRON POLYMERS LIMITED

NOTE NO. 2 LOANS (NON-CURRENT FINANCIAL ASSETS)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Capital Assets	0	0
2	Security Deposit		
	a) Unsecured, Considered Good	52,10,000	52,06,998
3	Loans & Advances to related parties		
4	Other Loans & Advances		
	a) Loan to Staff Members	8,84,169	7,93,734
	b) Advances to Staff members	12,000	12,000
	Total in ₹	61,06,169	60,12,732

NOTE NO. 3 OTHER FINANCIAL ASSETS (NON-CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Investment in Equity	10,000	10,000
	Unquoted - The Ahmedabad Mercantile Co. Op. Bank Ltd. (200 Shares of ₹ 50 Each)		
2	Fixed Deposit with Bank	55,69,659	40,74,221
3	Gratuity Fund Investment	1,77,50,980	1,65,91,443
	Total in ₹	2,33,30,639	2,06,75,664

NOTE NO. 4 INVENTORIES

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Raw Material	3,58,89,605	4,72,36,505
2	Finished Goods	8,31,64,355	8,70,03,205
3	Scrap Material	22,59,880	24,09,920
4	Packing Material	18,91,950	12,74,824
	Total in ₹	12,32,05,790	13,79,24,454

NOTE NO. 5 TRADE RECEIVABLES

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Outstanding for more than six months		
	a) Unsecured, Considered Good	38,84,502	29,87,746
2	Others		
	a) Unsecured, Considered Good	13,12,15,767	22,228,25,287
	Total in ₹	13,51,00,269	22,58,13,033

NOTE NO. 6 CASH & CASH EQUIVALENT

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Cash-in-Hand Cash Balance	1,23,946	1,49,026
	Sub Total (A)	<u>1,23,946</u>	<u>1,49,026</u>
2	Bank Balance In Current / CC / OD Accounts	33,04,374	4,98,761
	Sub Total (B)	<u>33,04,374</u>	<u>4,98,761</u>
	Total in ₹ (A+B)	<u>34,28,320</u>	<u>6,47,787</u>

NOTE NO. 7 OTHER FINANCIAL ASSETS (CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Loans & Advances to Related Parties	0	0
2	Other :		
	a) Advances to Suppliers (Advance recoverable in Cash or in Kind or for value to be considered good)	17,80,256	7,53,625
	b) Advance Income Tax & TDS	16,98,539	3,72,064
	c) Excise Duty Balances	0	0
	d) Interest Receivable	2,80,810	5,44,752
	e) Discount on Purchase Receivable	40,37,087	33,09,308
	Total in ₹	<u>77,96,692</u>	<u>49,79,749</u>

NOTE NO. 8 EQUITY SHARE CAPITAL

(a)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Authorized Capital 60,00,000 Equity Shares of ₹ 10 each.	6,00,00,000	6,00,00,000
		<u>6,00,00,000</u>	<u>6,00,00,000</u>
2	Issued, Subscribed & Paid Up Capital 60,00,000 Equity Shares of ₹ 10 each fully Paid up (Out of which 3,00,000 Equity Shares of ₹ 10 each issued as Bonus Shares and 30,00,000 Equity Shares of ₹ 10 each at premium of ₹ 10 each)	6,00,00,000	6,00,00,000
	Total in ₹	<u>6,00,00,000</u>	<u>6,00,00,000</u>

(b) Details of Shareholders holding more than 5% share of the Company :

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		No. of Shares	% held	No. of Shares	% held
1	Dutron Plastics Ltd.	5,51,325	9.19%	5,51,325	9.19%
2	Rasesh H. Patel	5,87,426	9.79%	5,80,377	9.67%
3	Alpesh B. Patel	5,09,231	8.49%	5,03,136	8.39%
4	Patel Kirtikumar N.	4,65,050	7.75%	4,65,050	7.75%
5	Nippon Polymers Pvt. Ltd.	4,40,800	7.35%	4,40,800	7.35%
6	Sudip B. Patel	4,26,793	7.11%	4,19,543	6.99%
7	Patel Jagruti K.	4,06,300	6.77%	4,06,300	6.77%
8	Kapilaben H. Patel	3,19,800	5.33%	3,19,800	5.33%

DUTRON POLYMERS LIMITED

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

Sr. No.	Particulars	Current Year 2018 - 19	Previous Year 2017 - 18
1	Equity Shares Outstanding at the Beginning of Year (Nos.)	60,00,000	60,00,000
2	Equity Shares Outstanding at the Beginning of Year (₹)	6,00,00,000	6,00,00,000
3	Shares Issued in the Year	-	-
4	Equity Shares Outstanding at the End of Year (Nos.)	60,00,000	60,00,000
5	Equity Shares Outstanding at the End of Year (₹)	6,00,00,000	6,00,00,000

(d) Rights Attached with Equity Shares :

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. During the year ended at 31st March, 2018, the amount of dividend per equity share distributed to equity shareholders is ₹ 1.4 (previous year ended 31st March, 2017, ₹ 1.4). In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE NO. 9 OTHER EQUITY

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Securities Premium Reserve (Shares)	3,00,00,000	3,00,00,000
2	General Reserve	6,77,14,221	6,27,14,221
3	Revaluation Reserve	18,82,215	18,82,215
4	Surplus (Profit & Loss Account)	1,00,93,430	1,60,80,616
	Balance Brought forward from previous year	1,60,80,616	1,30,38,096
	Add : Profit for the period	2,09,66,684	1,81,52,558
	Add : Adjustment for Employee Benefits	0	0
	Less : Adjustment for Deferred Tax Liabilities	0	0
	Less : Adjustment for Stock	(1,18,43,832)	0
	Less : Proposed Dividend	(84,00,000)	(84,00,000)
	Less : Tax on Dividend	(17,10,038)	(17,10,038)
	Less : Transfer to General Reserve	(50,00,000)	(50,00,000)
	Total in ₹	10,96,89,866	11,06,77,052

Nature of Reserves :

- (a) Security Premium
Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.
- (b) General Reserve
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.
- (c) Revaluation Reserve
Revaluation reserve is towards revaluation of the factory land. It will not be classified to Profit and loss account subsequently.

NOTE NO. 10 BORROWINGS (NON-CURRENT FINANCIAL LIABILITIES)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Loans From Directors	8,69,89,580	7,98,06,953
2	Inter Corporate Deposits	5,52,89,193	12,22,03,119
	Total in ₹	14,22,78,773	20,20,10,072

NOTE NO. 11 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Dealer's Security Deposits	40,00,000	32,00,000
	Total in ₹	40,00,000	32,00,000

NOTE NO. 12 PROVISIONS (NON-CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
	Provision for Employee Benefits		
1)	Provision for Gratuity	1,23,50,211	1,03,72,341
2)	Provision for Leave Encashment	61,33,278	51,54,724
	Total in ₹	1,84,83,489	1,55,27,065

NOTE NO. 13 BORROWINGS (CURRENT FINANCIAL LIABILITIES)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1)	Secured Loans - From Banks (OD against Third Parties FD)	2,36,30,173	2,47,26,880
	Total in ₹	2,36,30,173	2,47,26,880

Teh secured loans are secured against Fixed Deposits held in the name of directors of the company.

The Company has not defaulted on the payment of interest during the current year.

NOTE NO. 14 TRADE PAYABLES (OTHER THAN MSME)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1)	Sundry Creditors for Material/Supplies	2,35,528	3,54,82,364
	Total in ₹	2,35,528	3,54,82,364

NOTE NO. 15 OTHER FINANCIAL LIABILITIES (CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1)	Advances from Customers (Repayable in Cash or Kind)	18,75,925	16,26,902
	Total in ₹	18,75,925	16,26,902

DUTRON POLYMERS LIMITED

NOTE NO. 16 PROVISIONS (CURRENT)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	Provision for Employee Benefits		
	Provision for Bonus	13,00,000	14,00,000
	Provision for Leave Encashment	8,67,985	7,28,421
	Provision for Salary & Wages	24,64,443	19,54,957
	Provision for Gratuity	5,42,434	6,59,009
	Sub Total (A)	51,74,862	47,42,387
2	Other		
	Audit Fees Payable	1,20,000	1,00,000
	Other Expenses Payable	1,13,763	7,22,930
	Proposed Dividend	84,00,000	84,00,000
	Sub Total (B)	86,33,763	92,22,930
	Total in ₹ (A+B)	1,38,08,625	1,39,65,317

NOTE NO. 17 CURRENT TAX LIABILITIES

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
1	GST Payable	60,39,875	35,57,112
2	TDS Payable	35,161	54,818
3	Provision for Dividend Tax	17,10,038	17,10,038
	Total in ₹	77,85,074	53,21,968

NOTE NO. 18 REVENUE FROM OPERATIONS

Sr. No.	Particulars	2018-2019	2017-2018
1	Domestic & Integrated Sales	1,25,62,28,281	1,14,28,43,758
2	Waste Sales (Scrap)	3,82,816	2,72,717
3	Job Work Services (Fabrication)	0	94,990
	Total in ₹	1,25,66,11,097	1,14,32,11,465

NOTE NO. 19 OTHER INCOME

Sr. No.	Particulars	2018-2019	2017-2018
1	Rent Income	9,60,000	9,60,000
2	Interest Income	10,59,735	6,64,045
3	Profit on Sale of Assets	44,52,194	45,536
4	Miscellaneous Income	1,200	1,200
	Total in ₹	64,73,129	16,70,781

NOTE NO. 20 COST OF MATERIALS CONSUMED

Sr. No.	Particulars	2018-2019	2017-2018
a)	Raw Material Consumption		
	Opening Stock	4,72,36,505	8,63,81,175
	Goods Purchased	88,74,41,962	78,63,92,391
	Freight & Octroi (Taxable)	14,15,770	19,11,544
	Freight & Octroi (Exempted)	19,893	3,19,100
		93,61,14,130	87,50,04,210
	Less : Closing Stock	3,58,89,605	4,72,36,505
	Sub Total (A)	90,02,24,525	82,77,67,705
b)	Packing Material Consumption		
	Opening Stock	12,74,824	13,69,012
	Goods Purchased	52,18,795	33,33,395
		64,93,619	47,02,407
	Less : Closing Stock	18,91,950	12,74,824
	Sub Total (B)	46,01,669	34,27,583
c)	Direct / Production Expenses		
	1) Freight Outward (Exempted)	45,332	60,924
	2) Freight Outward (Taxable)	64,74,696	62,26,280
	3) Power & Fuel	3,82,02,397	3,33,76,194
	4) Repair & Maintenance (Building)	1,05,393	2,13,257
	5) Repair & Maintenance (Machinery)	54,85,546	42,15,019
	6) Duties & Taxes	94,320	6,21,958
	7) Other Direct Expenses	2,30,840	0
	Sub Total (C)	5,06,38,525	4,47,13,632
	Total in ₹ (A+B+C)	95,54,64,718	87,59,08,920

NOTE NO. 21 CHANGES IN INVENTORIES

Sr. No.	Particulars	2018-2019	2017-2018
1	Opening Stock		
	Finished Goods	8,70,03,205	8,12,65,833
	Less : Excise Duty	(1,18,43,832)	(90,29,537)
	Net Finished Goods	7,51,59,373	7,22,36,296
	Scrap Material	24,09,920	15,26,501
	Less : Excise Duty	0	(1,69,611)
	Net Scrap Material	24,09,920	13,56,890
	Sub Total (A)	7,75,69,293	7,35,93,186
2	Closing Stock		
	Finished Goods	8,31,64,355	8,70,03,205
	Less : Excise Duty	0	0
	Net Finished Goods	8,31,64,355	8,70,03,205
	Scrap Material	22,59,880	24,09,920
	Less : Excise Duty	0	0
	Net Scrap Material	22,59,880	24,09,920
	Sub Total (B)	8,54,24,235	8,94,13,125
	Total in ₹ (A+B)	(78,54,942)	(1,58,19,939)

NOTE NO. 22 EMPLOYEE BENEFIT EXPENSES

Sr. No.	Particulars	2018-2019	2017-2018
1	Salaries and Wages	5,25,62,690	4,26,57,021
2	Leave Salaries	15,09,497	13,23,195
3	Bonus Expenses	11,65,106	13,45,942
4	Canteen Expenses	2,24,379	2,31,584
5	Staff Welfare Expenses	4,33,952	3,73,349
6	Contribution to PF	18,70,115	13,96,850
7	Gratuity Expenses	7,01,758	17,05,633
8	Contribution to ESI	29,010	32,526
	Total in ₹	5,84,96,507	4,90,66,100

NOTE NO. 22.1 DIRECTOR REMUNERATION

Sr. No.	Particulars	2018-2019	2017-2018
1	Remuneration	12,00,000	12,00,000
2	Contribution PF	1,44,000	1,44,000
	Total in ₹	13,44,000	13,44,000

NOTE NO. 23 FINANCE COST

Sr. No.	Particulars	2018-2019	2017-2018
1	Interest on Working Capital Finance	11,26,252	6,78,561
2	Interest on ICD	62,06,749	76,33,716
3	Interest on Unsecured Loan	79,80,696	74,09,335
4	Interest on Late Payment of Taxes	67,089	1,620
5	Interest - Others	3,31,412	3,31,280
6	Bank Charges	6,62,613	5,48,819
	Total in ₹	1,63,74,811	1,66,03,331

NOTE NO. 24 DEPRECIATION & AMORTISED COST

Sr. No.	Particulars	2018-2019	2017-2018
1	Depreciation	1,04,77,314	96,39,236
	Total in ₹	1,04,77,314	96,39,236

NOTE NO. 25 OTHER ADMINISTRATIVE EXPENSES

Sr. No.	Particulars	2018-2019	2017-2018
1	Advertisement	73,952	9,95,696
2	Sales Commission	0	5,54,238
3	Sales Promotion	2,62,468	3,69,418
4	Vehicles Repairs (Other)	7,43,949	5,52,131
5	Vehicles Repairs (Car)	1,29,828	94,369
6	Conveyance Expenses	26,350	71,991
7	Insurance Expenses	6,10,977	6,47,639
8	Fees & Subscription Expenses	31,58,974	29,96,353
9	Miscellaneous Expenses	1,09,398	1,11,735
10	Office & General Expenses	11,035	14,675
11	Postage & Telegram	3,55,902	3,27,241
12	Rent Rates & Taxes	4,96,347	3,68,804
13	Repair & Maintenance (Equipment)	48,319	46,820
14	Stationery & Printing Expenses	9,11,308	3,53,736
15	Telephone Expenses	77,501	1,07,047
16	Travelling Expenses (Including Foreign Travelling)	18,71,995	9,81,847
Total in ₹		88,88,303	85,93,740

NOTE NO. 25.1 AUDITOR REMUNERATION

Sr. No.	Particulars	2018-2019	2017-2018
1	Statutory Audit Fees	1,20,000	1,00,000
2	Tax Consultancy	1,10,000	1,00,000
3	Other Audit Fees	0	1,06,750
Total in ₹		2,30,000	3,06,750

NOTE NO. 26 Dutron Polymers Limited, ('the Company') incorporated in 1981, is the company engaged in manufacturing of Plastic pipes of different varieties. It has a considerable presence in the market across India. It has a manufacturing facilities located at Dist. Kheda, Gujarat.

NOTE NO. 27 Figures of the previous year have been regrouped / rearranged wherever necessary.

NOTE NO. 28 The information regarding suppliers holding permanent registration certificate as a small scale industrial undertaking or as an ancillary industrial undertaking issued by the Directorate of Industries of the state is not available. In the absence of such information, the amount and interest due as per the Interest on delayed payments to Small and Ancillary Industries Act, 1993 is not ascertainable. There is no claim for payment of interest under the law above.

NOTE NO. 29 Disclosures under Section 22 of Micro, Small and Ancillary Industries Act, 2006 can be considered on receiving relevant information from suppliers who are covered under the act is received.

NOTE NO. 30 Foreign Exchange Earnings and Outgo

Particulars	2018 - 19 (₹)	2017 - 18 (₹)
Foreign Exchange Earnings	----	----
Foreign Exchange Outgo	22,15,66,380	12,69,08,311
Foreign Exchange Outgo (Capital Goods)	----	----

NOTE NO. 31 SIGNIFICANT ACCOUNTING POLICIES

• **Basis of Preparation of Financial Statements**

- a) The financial statements have been prepared under the historical cost convention by the generally accepted accounting principles on going concern basis and provisions of the Companies Act, 2013 as adopted consistently by the company. The accounts are materially complying with Accounting Standards issued by The Institute of Chartered Accountants of India.
- b) The company generally follows a mercantile system of accounting and recognises significant items of income and expenditure on an accrual basis. However, Municipal Tax is recognised on Cash Basis.

• **Disclosure of Accounting Policies**

The Accounting Principles and policies, recognized as appropriate for measurement and reporting of the financial performance and the financial position on Accrual Basis except otherwise disclosed using historical cost i.e. not taking into account changing money values/impact of inflation, are applied in the preparation of the financial statement and those which are considered material to the affairs are suitably disclosed. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during the year.

• **Valuation of Inventories**

The Company has kept proper records of its inventories. The Cost of inventory is ascertained as the total of cost of procurement, cost of conversions and cost of bringing inventories to its present location and conditions excluding any abnormal cost, administrative, financial, and selling and storage cost. Net realisable value is calculated based on the estimated sales price in the ordinary course of the business less estimated cost of completion and estimated cost necessary to make a sale. Net realisable value is calculated based on the most reliable evidence at the time of valuation. The comparison of cost and net realisable value is made the item by item or by a group of item.

Inventories are generally valued at cost or market value whichever is lower. Closing stock of raw material has been valued at cost price after adjusting CENVAT credit availed. Balance in CENVAT credit account has been grouped along with excise balances under the head of loans & advances. The closing stock of finished goods & scrap material has been valued including Excise Duty.

• **Current versus Non-Current Classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The company classifies all other liabilities as non-current. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

- **Functional and Presentation Currency**

These standalone financial statements are presented in Indian Rupees, which is the functional currency of the Company. All financial information presented in Indian Rupees has been rounded to the nearest rupees, except otherwise indicated.

- **Employee Benefits**

- (i) **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- (i) **Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided and the Company will have no legal or constructive obligation to pay further amounts. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

- (iii) **Defined benefit plans**

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in a benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- (iv) **Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is measured based on a periodical independent actuarial valuation using the projected unit credit method. Re-measurement are recognised in Statement of Profit and Loss in the period in which they arise

- **Fair value measurement**

The Company measures financial assets, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements regularly, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Company management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by Company management. The management decides after discussion with external valuers about valuation technique and inputs to use for each case.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing on the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. For fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

- **Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, to determine if it is acting as a principal or as an agent.

Revenue is recognised, net of trade discounts, goods and service tax or other taxes, as applicable.

- (i) **Sale of goods**

Revenue from sale of goods is recognized in the statement of profit and loss when the significant risks and rewards in respect of ownership of goods have been transferred to the buyer as per the terms of the respective sales order and the Company neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and discounts.

- (ii) **Interest Income**

For all financial assets measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or the amortised cost of financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income is included in other income in the statement of profit and loss.

(iii) Dividend Income

Dividend income from investments is recognised when the right to receive the payment is established which is generally when shareholders approve the dividend.

• **The property, Plant & Equipment and Depreciation**

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses if any. The cost of an item of property, plant and equipment comprises - its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. - Any costs are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. - the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. - Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

The depreciable amount for assets is the cost of an asset or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment of the Company has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on independent technical evaluation and management's assessment thereof, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Useful life is taken as per Schedule II of Companies Act, 2013.

Depreciation method, useful life and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions (disposals) is provided on a pro-rata basis, i.e. from (up to) the date on which asset is ready for use (disposed of).

• **Intangible Assets**

(i) Recognition and Measurement:

Intangible assets are carried at cost less accumulated amortisation and impairment losses if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Expenditure on research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year, and the amortisation method is revised to reflect the changed pattern, if any.

- **Non-Current Assets Held for Sale**

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Classified as Held for Sale". Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

- **Impairment of assets**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- i) an intangible asset that is not yet available for use; and
- ii) an intangible asset that is having an indefinite useful life

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In the case of revalued assets, such reversal is not recognised.

- **Foreign Currency Transactions**

Transactions in foreign currency are recorded at the approximate exchange rate prevailing on the date of transactions. Foreign currency monetary assets and monetary liabilities not covered by forwarding exchange contracts are translated at year-end exchange rates; and profit and loss so determined and realised exchange gains/losses are recognised in purchase proceed of imports. The company has made a loss due to foreign exchange fluctuations (purchase proceeds of imports) amounting to ' 3,55,456 during the year (previous year: profit ' 25,95,060).

- **Government Grants and Subsidies**

The company recognises the Government grants only when there is reasonable assurance that:

- a) The enterprise will comply with the conditions attached to them, and
- b) The grant will be received

During the year, the company has not received any grant/subsidy.

- **Provisions and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for:

- i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made

- **Borrowing costs**

Borrowing costs are interest, and other costs that the Company incurs in connection with the borrowing of funds and is measured concerning the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised as an expense in the period which they are incurred.

- **Earnings per share**

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

- **Insurance Claims**

Insurance claims are accounted for based on claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

- **Goods and Services Tax Input Credit**

Goods and Services Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/utilising the credits.

- **Segment reporting**

The Company operates in one reportable business segment, i.e. "Manufacturing of Plastic Pipes". Hence as per Ind AS 108, disclosure of segment is not applicable to it.

- **Taxes on Income**

Provision for current income taxes is made on taxable income at the rate applicable to the relevant assessment year. Deferred taxes are recognised for future tax consequences attributable to timing difference between the financial statements, determination of income and their recognition for tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognised for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in Profit and Loss Account using the tax rates and tax laws that have been enacted or substantively enacted by balance sheet date.

Deferred tax assets are recognised and carried forward only to the extent that there is a virtual certainty of realisation of such assets. Considering this, the company has applied for provision for deferred tax.

NOTE NO. 32 SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparations of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and accompanying disclosures including disclosures of contingent liabilities. Uncertainty about these assumptions may result in an outcome that requires a material adjustment to the carrying amount of assets or liabilities affected in the future period. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and assumptions are reviewed on an ongoing basis. The revision to accounting estimates is recognised in the year in which the estimates are revised and in any future affected.

- **Estimates and Assumptions**

The key assumptions that concerning the future and other key sources of estimation on the reporting date, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year, are listed below. The company based its estimates and assumptions on parameters available when financial statements are made. Existing circumstances and assumptions about future circumstances may change due to market change or circumstances arising beyond the control of the company.

- (i) **Useful Lives of Property, Plant and Equipment**

- The company reviews useful life of its property, plant and equipment at the end of each reporting period.

(ii) Defined Benefit Plans

The cost of defined benefit gratuity plan and other post-employment and the present value of the gratuity obligations are determined using actuarial valuations. An actuary makes assumptions which may differ from the actual developments in the future. These include the determination of discount rate, future salary increase, and mortality rate. Due to the complexity of the valuations, a defined benefit obligation is highly sensitive changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables of India. Future salary and gratuity increase are based on expected future inflation rates in India.

Details of Gratuity valuations are given at the end of this Note No. 32.

(iii) Provision for inventories

Provision is made in the financial statements for slow and non-moving inventories based on estimate regarding their usability.

(iv) Impairment of Trade Receivables

To measure lifetime expected credit loss allowances of trade receivables, the Company has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is made on a provision matrix based on experience and adjusted for forward looking information.

(v) Impairment of Other Financial Assets

The impairment of loss of other financial assets is based on an assumption about the risk of default coupled with past experiences and information about the future.

(vi) Employee Benefit

(a) Defined Contribution Plans

1. Provident Fund/Employee's Pension Fund
2. Employee's State Insurance

The company has recognised the following expense has been recognised in Profit and Loss account.

Particulars	2018-19 (₹)	2017-18 (₹)
Employer's Contribution to PF / Pension Fund	17,26,115	12,52,850
Employer's Contribution to ESI	29,010	32,526

(b) Defined Benefit Plans

Gratuity (included in Employee Benefit Expenses in Note No. 22 of financial statements) is payable to all eligible employees as provisions of Payment of Gratuity Act, 1972. The benefit will be paid at the time of separation as per the tenure of employment and salary of the employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as of 31st March, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date.

DUTRON POLYMERS LIMITED

Particulars Amount in ₹	2018 - 19		2017 - 18	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
1. Reconciliation of opening and closing balances of Defined Benefit obligation				
Defined Benefit Obligation at the beginning of year	1,10,31,531	58,83,145	85,76,815	49,07,307
Current Service Cost	9,99,089	8,06,847	7,70,481	6,72,789
Interest Cost	8,39,026	4,33,953	6,08,022	3,36,438
Actuarial (gain) / loss	93,050	2,68,697	16,62,310	3,13,967
Benefit Paid	(69,870)	(3,91,379)	(5,86,277)	(47,357)
Defined Benefit obligation at year end	1,28,92,646	70,01,263	1,10,31,350	58,83,145
2. Reconciliation of opening and closing balances of Fair Value of Plan Assets				
Fair Value of plan assets at beginning of year	1,65,91,443	0	1,58,42,541	0
Expected return on plan assets	12,63,262	0	11,86,419	0
Expense deducted from fund	0	0	0	0
Actuarial (gain) / loss	(33,855)	0	1,48,760	0
Employer contribution	0	0	0	0
Benefit Paid	(69,870)	0	(5,86,277)	0
Fair Value of Plan Assets at year end	1,77,50,980	0	1,65,91,443	0
Actual return on plan assets	12,29,407	0	13,35,179	0
3. Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at Balance Sheet date	1,77,50,980	0	1,65,91,443	0
Present value of obligation as at Balance Sheet date	1,28,92,646	70,01,263	1,10,31,350	58,83,145
Amount recognized in Balance Sheet	48,58,334 (Investment)	(70,01,263) (Liability)	55,60,093 (Investment)	58,83,145 (Investment)
4. Expenses recognized during the year				
Current Service Cost	9,99,089	8,06,847	7,70,481	6,72,789
Interest Cost	8,39,026	4,33,953	6,08,022	3,36,438
Expected return on plan assets	(12,63,262)	0	(11,86,419)	0
Net Actuarial (gain) / loss	1,26,905	2,68,697	15,13,550	0
Total charge to Profit & Loss Account	7,01,758	15,09,497	17,05,633	13,23,915
5. Actuarial Assumptions				
Mortality Table (LIC)	Indian Assured Life Mortality (2006-08)		Indian Assured Life Mortality (2006-08)	
Discount rate (per annum)	7.74%		7.63%	
Expected rate of return on plan assets (per annum)	7.63%		7.34%	
Rate of escalation in salary (per annum)	6.00%		6.00%	
Attrition Rate	5.00%		5.00%	
6. The amount that the Company is expected to contribute to gratuity in next period				
	6,39,120		3,16,432	

NOTE NO. 33 RELATED PARTY DISCLOSURE

A. List of Related Parties and Relations

1. Group Companies

(1) Cosmofil Plastics Pvt. Ltd.	(2) Dutron Plastics Ltd.
(3) Dutron Plastics (Bharuch)	(4) Dutron Polymers
(5) Dura Vinyle Industries	(6) Nippon Polymers Pvt. Ltd.
(7) Technoplast Engg. Co.	

2. Key Management Personnel

(a) Sudip B. Patel	
(b) Rasesh H. Patel	
(c) Alpesh B. Patel	

3. List of Relatives of Key Managerial Personnel and Enterprise over which Key Management Personnel and their relatives significantly influence, with whom transaction have taken place during the year

(1) Cosmofil Plastics Pvt. Ltd.	(2) Dutron Plastics Ltd.
(3) Dutron Plastics (Bharuch)	(4) Dutron Polymers
(5) Dura Vinyle Industries	(6) Nippon Polymers Pvt. Ltd.
(7) Technoplast Engg. Co.	

B. Transactions with Related Parties

Particulars	Subsidiaries, Fellow Subsidiaries and Associates		Key Management Personnel		Relatives of Key Management Personnel and Enterprise	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
₹ in Lakh						
Purchase of Goods	244.28	125.96	0.00	0.00	0.00	0.00
Sale of Goods	327.31	291.53	0.00	0.00	0.00	0.00
Receiving of Services	11.33	11.33	0.00	0.00	0.00	0.00
Finance Charge (including loan & equity contribution in cash or kind given)	2575.00	1393.00	0.00	25.00	0.00	0.00
Interest Paid	62.07	76.34	79.81	74.09	0.00	0.00
Finance (including loans taken)	1850.00	1835.50	0.00	0.00	0.00	0.00
Any Other (Office Rent & Remuneration)	2.12	2.12	12.00	12.00	0.00	0.00

NOTE NO. 34 EARNING PER SHARE

Basic Earning per Share (EPS) are disclosed in the profit and loss account. There is no Diluted Earnings per Share as there are no dilative potential equity shares.

Particulars	2018-19	2017-18
Earning available for Share holders (₹)	2,09,66,684	1,81,52,558
Weighted average No. of Equity Shares	60,00,000	60,00,000
Basic & diluted EPS (₹ / Share)	3.49	3.03
Face value of share (₹)	10	10

NOTE NO. 35 FAIR VALUE DISCLOSURES

The Carrying value and fair value of financial assets/liability by each category are as follows :

Particulars ₹ in Lakh	Carrying Amount of Financial Assets / Liabilities		Fair Value of Financial Assets / Liabilities	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Financial Assets at Amortized Cost				
1. Non-Current Assets				
Deposits	52.10	52.06	52.10	40.74
Other Financial Assets	242.27	214.81	242.27	166.02
2. Current Assets				
Trade and Other Receivables	1351.00	2258.13	1351.00	2258.13
Cash and Cash Equivalents	34.28	6.48	34.28	6.48
Loans and Advances	0.00	0.00	0.00	0.00
Other Financial Assets	77.97	49.80	77.97	49.80
Financial Liabilities at Amortized Cost				
1. Current Liabilities				
Trade Payables	2.36	354.82	2.36	354.82
Other Financial Liabilities	18.76	16.27	18.76	16.27
2 Non-Current Liabilities				
Other Financial Assets / Liabilities	0.00	0.00	0.00	0.00

NOTE NO. 36 There is no contingent liability outstanding on 31st March, 2019 and 31st March, 2018.

NOTE NO. 35 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk;
- Currency risk;
- Interest rate risk; and
- Commodity rate risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an

allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of Company's exposure to the credit risk is as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Past dues not impaired	38,84,502	29,87,746
Not past dues not impaired	13,12,15,767	22,28,25,287
Total in ₹	13,51,00,269	22,58,13,033

Expected credit loss assessment - The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue

Cash and cash equivalents - As at the year end, the Company held cash and cash equivalents of ₹ 34,28,320 (previous year ₹ 6,47,787). The cash equivalents are held with banks.

Other financial assets - Other financial assets are neither past due nor impaired.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company enjoys overdraft limit from the bank.

The Company invests its surplus funds in bank fixed deposit which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk - Remaining contractual maturities of financial liabilities at the reporting date has been defined. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

The details of contractual maturities of significant liabilities as on 31st March, 2018 are follows.

Particulars Amount in ₹	Carrying Amount	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years	Total
Trade Payables (See Note 6)	2,35,528	2,35,528	0.00	0.00	0.00	2,35,528
Other Current Financial Liabilities (See Note 7)	18,75,925	18,75,925	0.00	0.00	0.00	18,75,925
Total	21,11,453	21,11,453	0.00	0.00	0.00	21,11,453

c) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to interest rate change. However, it does not constitute a significant risk. Hence, sensitive analysis is not given.

i) Currency risk

The Company is exposed to currency risk on account of its operations with other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate in the future. However, overall impact of foreign currency risk on the financial statement is not significant.

Following is the currency profile of non-derivative financial assets and financial liabilities :

Particulars	Amount as at 31st March, 2019 (\$)	Amount as at 31st March, 2018 (\$)
Financial Assets		
Cash and Cash Equivalents	Nil	Nil
Trade Receivables	Nil	Nil
Other Current Assets	Nil	Nil
Total	Nil	Nil
Financial Liabilities		
Trade Payables	Nil	5,45,044
Current Borrowings	Nil	Nil
Other Current Financial Liabilities	Nil	Nil
Next Exposure	Nil	5,45,044

Sensitivity analysis :

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit (Loss) for the year ended on 31st March, 2019		Profit (Loss) for the year ended on 31st March, 2018	
	Strengthening	Weaking	Strengthening	Weaking
1% Movement				
USD	NIL	NIL	5396	5505

ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates. Exposure to interest rate risk Company's interest rate risk arises from borrowings and finance lease obligations. The interest rate profile of the Company's interest-bearing borrowings is as follows:

Particulars Total in ₹	Amount as at 31st March, 2019	Amount as at 31st March, 2018
Non-Current Borrowings		
- Fixed Rate Borrowings	14,22,78,773	20,20,10,072
- Variable Rate Borrowings	Nil	Nil
Current Borrowings		
- Fixed Rate Borrowings	Nil	Nil
- Variable Rate Borrowings	2,36,30,173	2,47,26,880
Total	16,59,08,946	22,67,36,952

Fair value sensitivity analysis for fixed-rate instruments:

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit (Loss) for the year ended on 31st March, 2019		Profit (Loss) for the year ended on 31st March, 2018	
	Increase	Decrease	Increase	Decrease
100 bps Movement				
Variable Rate Borrowings	2,36,301	(2,36,301)	2,47,269	(2,47,269)

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

f) **Commodity rate risk**

The Company's operating activities involve purchase of plastic raw materials and sale of HDPE, PVC and CPVC Pipes, whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of 31st March, 2019 and 31st March, 2018 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

NOTE NO. 38 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the capital policy of the company is to safeguard the Company's ability to remain as going concern and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders, return capital to shareholders or issue new shares. The current capital structure is through equity with no financing through borrowings. The company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended on 31st March, 2019 and 31st March, 2018.

NOTE NO. 39 RECENT ACCOUNTING PRONOUNCEMENTS

Ind AS 115 Revenue from Contract with Customers: In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers' (New Revenue Standard), which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. The core principle of the New Revenue Standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Some of the key changes introduced by the New Revenue Standard include additional guidance for multiple-element arrangements, measurement approaches for variable consideration, specific guidance for licensing of intellectual property. Significant additional disclosures in relation to revenue are also prescribed. The New Revenue Standard also provides two broad alternative transition options – Retrospective Method and Cumulative Effect Method – with certain practical expedients available under the Retrospective Method. The Company is in the process of evaluating the impact of the New Revenue Standard on the present and future arrangements and shall determine the appropriate transition option once the said evaluation has been completed. Also Appendix B to Ind AS 21, foreign currency transactions and advance consideration was notified along with the same notification which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company has evaluated the effect of these on the financial statements and the impact is not expected to be material. The amendments will come into force from 1st April, 2018.

As per our report of even date attached.

DUTRON POLYMERS LIMITED

Signatures to Note Nos. 1 to 39

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

R. R. SHAH

Company Secretary

B. R. BAROT

CFO

FOR DUTRON POLYMERS LIMITED

S. B. PATEL

Chairman

DIN : 00226676

R. H. PATEL

Director

DIN : 00226388

A. B. PATEL

Director

DIN : 00226723

M. C. SHAH

Director

DIN : 06641167

K. H. PATEL

Director

DIN : 07150359

R. D. DESAI

Director

DIN : 08197675

Place : **Ahmedabad**

Date : **8th May, 2019**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31st March, 2019 ₹	As at 31st March, 2018 ₹
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	2,81,92,577	2,79,58,954
Adjustment for :		
Depreciation	1,04,77,314	96,39,236
Extraordinary Items	0	0
Loss/(Profit) on Sale of Assets	(44,52,194)	(45,536)
	<u>60,25,120</u>	<u>95,93,700</u>
Operating Profit before working capital changes	3,42,17,697	3,75,52,654
Adjustment for :		
Inventories	28,74,831	2,34,18,920
Trade and other Receivables	9,07,12,764	(13,01,47,209)
Other Financial Assets (Current)	(28,16,943)	14,44,106
Trade Payables (Other than MSME)	(3,52,46,836)	77,07,364
Other Financial Liabilities (Current)	2,49,023	(10,43,279)
Current Tax Liabilities	24,63,106	35,73,261
Borrowings (Current Financial Liabilities)	(10,96,707)	1,78,33,078
Provisions (Current Liabilities)	(1,56,692)	11,81,839
	<u>5,69,82,546</u>	<u>(7,60,31,920)</u>
Cash Generated from Operations	<u>9,12,00,243</u>	<u>(3,84,79,266)</u>
Less : Direct Taxes Paid	(90,41,038)	(1,10,13,751)
Net Cash Inflow from Operating Activities	<u>8,21,59,205</u>	<u>(4,94,93,017)</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,67,12,107)	(28,11,813)
Sale of Fixed Assets	44,56,722	45,536
Net Cash Outflow from Investing Activities	<u>(1,22,55,385)</u>	<u>(27,66,277)</u>
C. Cash Flow from Financing Activities		
Borrowing (Non-Current Financial Liabilities)	(5,97,31,299)	5,52,88,745
Loans (Non-Current Financial Assets)	(93,437)	5,74,532
Provisions (Non-Current Liabilities)	29,56,424	36,40,030
Other Financial Liabilities (Non-Current)	8,00,000	1,90,000
Other Financial Assets (Non-Current)	(26,54,975)	(31,21,163)
Dividend Paid	(84,00,000)	(84,00,000)
Net Cash Outflow from Financing Activities	<u>(6,71,23,287)</u>	<u>4,81,72,144</u>
Net Increase in Cash and Cash Equivalents (A + B + C)	<u>27,80,533</u>	<u>(40,87,150)</u>
Cash and Cash Equivalents as at 01-04-2018 (Opening Bal.)	6,47,787	47,34,937
Cash and Cash Equivalents as at 31-03-2019 (Closing Bal.)	34,28,320	6,47,787

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

R. R. SHAH

Company Secretary

B. R. BAROT

CFO

FOR DUTRON POLYMERS LIMITED

S. B. PATEL

Chairman

DIN : 00226676

A. B. PATEL

Director

DIN : 00226723

K. H. PATEL

Director

DIN : 07150359

R. H. PATEL

Director

DIN : 00226388

M. C. SHAH

Director

DIN : 06641167

R. D. DESAI

Director

DIN : 08197675

Place: Ahmedabad

Date: 8th May, 2019

AUDITOR'S CERTIFICATE

To

The Board of Directors

Dutron Polymers Limited

We have examined the above Cash Flow Statement of Dutron Polymers Limited for the year ended 31st March, 2019. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of Listing Agreements with various Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 8th May, 2019 to the Members of the Company.

FOR MANTHAN M. SHAH & ASSOCIATES

Chartered Accountants

MANTHAN SHAH

Partner

Membership No. 150534

Firm Reg. No. 145136W

Place: **Ahmedabad**

Date: **8th May, 2019**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. Equity Share Capital

Equity shares of ₹ 10 each issued, subscribed and fully paid up	No. of Shares	Amount ₹
As on 1st April, 2017	60,00,000	60,00,000
Increase (Decrease) in the year	-	-
As on 31st March, 2018	60,00,000	60,00,000
Increase (Decrease) in the year	-	-
As on 31st March, 2019	60,00,000	60,00,000

B. Other Equity

Amount in ₹

Particulars	Securities Premium	General Reserves	Revaluation Reserve	Surplus	Total
Opening Balance as on 1st April, 2017	3,00,00,000	5,77,14,221	18,82,215	1,30,38,096	10,26,34,532
Profit for year ended on 31st March, 2018	-	-	-	1,81,52,558	1,81,52,558
Total Comprehensive income for the year	3,00,00,000	5,27,14,221	18,82,215	3,11,90,654	12,07,87,090
Transfer from Profit & Loss to General Reserve	-	50,00,000	-	(50,00,000)	-
Dividend Payment	-	-	-	(84,00,000)	(84,00,000)
Dividend Tax	-	-	-	(17,10,038)	(17,10,038)
Balance as on 31st March, 2018	3,00,00,000	6,27,14,221	18,82,215	1,60,80,616	11,06,77,052
Profit for the year ended on 31st March, 2019	-	-	-	2,09,66,684	2,09,66,684
Total Comprehensive income for the year	3,00,00,000	6,27,14,221	18,82,215	3,70,47,300	13,16,43,736
Transfer from Profit & Loss to General Reserve	-	50,00,000	-	(50,00,000)	-
Dividend Payment	-	-	-	(84,00,000)	(84,00,000)
Dividend Tax	-	-	-	(17,10,038)	(17,10,038)
Adjustment for Indirect Tax in Stock	-	-	-	(1,18,43,832)	(1,18,43,832)
Balance as on 31st March, 2019	3,00,00,000	6,77,14,221	18,82,215	1,00,93,430	10,96,89,866

FOR MANTHAN M. SHAH & ASSOCIATES
Chartered Accountants

FOR DUTRON POLYMERS LIMITED

MANTHAN SHAH
Partner
Membership No. 150534
Firm Reg. No. 145136W

R. R. SHAH
Company Secretary

B. R. BAROT
CFO

S. B. PATEL
Chairman
DIN : 00226676

M. C. SHAH
Director
DIN : 06641167

R. H. PATEL
Director
DIN : 00226388

K. H. PATEL
Director
DIN : 07150359

A. B. PATEL
Director
DIN : 00226723

R. D. DESAI
Director
DIN : 08197675

Place: **Ahmedabad**
Date: **8th May, 2019**

DUTRON POLYMERS LIMITED

ATTENDANCE SLIP

CIN : L25209GJ1981PLC004786
Registered Office : 'Dutron House',
Nr. Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009.

Name of the Shareholders :		
Address :		
E-mail ID :		
Folio No. / Client Id		D.P. Id.

I hereby record my presence at the 38th ANNUAL GENERAL MEETING of the Company held at The Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad - 380009 on Wednesday, 11th September, 2019 at 11:30 a.m.

SIGNATURE OF SHAREHOLDER / PROXY's

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN.

DUTRON POLYMERS LIMITED

FORM NO. MGT-11 PROXY FORM

CIN : L25209GJ1981PLC004786
Registered Office : 'Dutron House',
Nr. Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009.

[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 Shareholders :		
Address :		
E-mail ID :		
Folio No. / Client Id		D.P. Id.

I/We, being the member(s) of shares of the above named company, hereby appoint :

1. Name : Address :

E-mail ID :, or failing him;

2. Name : Address :

E-mail ID :, or failing him;

3. Name : Address :

E-mail ID :, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Wednesday, 11th September, 2019 at 11:30 a.m. at The Ahmedabad Textile Mills Association (ATMA) Hall, Opp. City Gold Cinema, Ashram Road, Ahmedabad - 380 009, and at any adjournment thereof in respect of such the resolutions given in the notice.

Signed this day of 2019

Signature of shareholder :

Signature of Proxy holder(s) : (1) (2) (3)

Notes : 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.

Affix Revenue Stamp of ₹ 1 here

Book - Post

To,

If Undelivered please return to :

DUTRON POLYMERS LIMITED

'Dutron House', Nr. Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009.

CIN : L25209GJ1981PLC004786