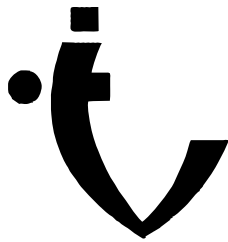


7th ANNUAL REPORT
2015-2016



VINAYAK POLYCON International Ltd.



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Board of Directors

Bhanwar Lal Baid (DIN: 00212003)
Chairman

CA Bharat Baid (DIN: 00212506)
Managing Director

CA Vikram Baid (DIN: 00217347)
Executive Director

Mrs. Anima Bordia (DIN: 06941148)
Independent and Non-Executive Director

CA Niraj Nahata (DIN: 06830067)
Independent and Non-Executive Director

CA Pawan Nahata (DIN: 06945991)
Independent and Non-Executive Director

Key Managerial Personnel

CA Bharat Baid
Chief Executive Officer and Managing Director

CA Vikram Baid
Chief Financial Officer

Rashmi Agarwal
Company Secretary and Compliance Officer

Statutory Auditors

A. Natani & Co.
Chartered Accountants
6-7, Samod Tower
II Floor, Dadu Marg, S.C. Road, Jaipur

Board Committees**Audit Committee**

Mrs. Anima Bordia
Mr. Niraj Nahata
Mr. Pawan Nahata

Nomination and Remuneration Committee

Mrs. Anima Bordia
Mr. Niraj Nahata
Mr. Pawan Nahata

Stakeholders' Relationship Committee

Mrs. Anima Bordia
Mr. Niraj Nahata
Mr. Pawan Nahata

Risk Management Committee

Mr. Vikram Baid
Mr. Bhanwar Lal Baid
Mrs. Anima Bordia

Secretarial Auditor

V.M. & Associates
Company Secretaries
403, Royal World
Sansar Chand Road
Jaipur

Registrar and Share Transfer Agent

M/s MAS Services Limited
T-34 2nd Floor, Okhla Industrial Area, Phase-II,
New Delhi-110020,
Phone No: 91-11-26387281-13, Fax:-91-11-26387384
Email: -info@masserv.com

Principal Bankers

Indian Overseas Bank

Registered and Correspondence Office

312, Navjeevan Complex, 29, Station Road, Jaipur- 302 006 (Rajasthan), India
Phone No: 91-141-2377007, Fax:-91-141-2378830, Email: - investor@vinayakpolycon.com
Website: - www.vinayakpolycon.com

Unit-1

16, Pandur Village, Kayarambedu Post, Via Guduvanchery, Dist.Kanchipuram - 603202,
TAMIL NADU

Unit-2

H-13-14, Heerawala Industrial Area, Kanota, Jaipur-303012, Rajasthan

FINANCIAL HIGHLIGHTS

For the Year Ended 31st March:

Particulars	(Amount Rs. In Lac)						
	2010	2011	2012	2013	2014	2015	2016
PROFIT & APPROPRIATIONS							
Sale & Other Income	0.00	1388.03	1357.76	1821.13	1942.86	1712.83	1529.11
Profit Before Depreciation & Tax	0.00	116.52	105.58	108.64	102.74	92.90	85.04
Depreciation	0.00	109.80	95.33	100.78	90.50	76.52	66.59
Profit before Tax	0.00	6.72	10.25	7.86	12.24	16.38	18.45
Taxation	0.00	1.55	3.18	2.94	3.46	5.02	5.69
Profit After Tax	0.00	5.17	7.07	4.92	8.78	11.36	12.76
Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Earning per Share	0.00	0.17	0.23	0.16	0.28	0.37	0.41
ASSETS EMPLOYED							
Fixed Assets Gross	0.00	950.27	998.75	1058.29	1021.56	1022.78	1059.81
Depreciation	0.00	289.02	383.35	484.13	553.17	630.57	697.17
Net	0.00	661.25	615.40	574.16	468.39	392.21	362.64
Capital work in progress	0.00	0.00	1.50	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Current Assets	4.47	478.93	102.07	125.91	124.26	149.14	142.80
Miscellaneous Expenditure	2.11	4.64	3.70	2.78	1.85	0.93	0.00
	6.58	1144.82	722.67	702.85	594.50	542.28	505.44
FINANCED BY							
Equity Shares	5.00	308.13	308.13	308.13	308.13	308.13	308.13
Reserve & Surplus	0.00	35.58	42.64	47.56	56.34	66.81	79.57
Loan Funds	1.58	771.51	342.13	318.90	205.07	146.67	100.68
Deferred Tax Liability	0.00	29.61	29.77	28.26	24.96	20.67	17.06
	6.58	1144.82	722.67	702.85	594.50	542.28	505.44

**(VINAYAK POLYCON INTERNATIONAL LIMITED)**

(CIN: L25209RJ2009PLC030620)

Registered Office: 312, Navjeevan Complex, 29, Station Road, Jaipur-302006

Email: investor@vinayakpolycon.com, Website: www.vinayakpolycon.com

Phone: 0141-2377007, Fax: 0141-2378830

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SEVENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF VINAYAK POLYCON INTERNATIONAL LIMITED will be held at "Parmanand Hall", Ashok Marg, C-Scheme, Jaipur-302001 on Saturday, 20th August, 2016 at 4.00 P.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Bhanwar Lal Baid (DIN 00212003), who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. A. Natani & Co., Chartered Accountants (Firm Registration No. 007347C) as statutory auditors of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the resolution passed by the members of Company in 5th Annual General Meeting held on 6th September, 2014, the appointment of M/s. A. Natani & Co., Chartered Accountants, Jaipur (Firm Reg. No. 007347C) as Statutory Auditors of the Company to hold office till the conclusion of 10th Annual General Meeting of the Company to be held in the calendar year 2019 be and is hereby ratified (for the F.Y. 2016-17) at such remuneration plus Service Tax as applicable, out of pocket expenses, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company in accordance with the recommendation of the audit Committee."

SPECIAL BUSINESS:

4. Approval of Related Party Transactions under Section 188 of Companies Act, 2013

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers), Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as 'the Act'), and pursuant to Articles of Association and all other provisions of applicable law / rules, consent of members of the company be and is hereby accorded to the Board of Directors of the Company, {hereinafter referred to as the " Board", which term shall include any committee constituted by the Board of Directors of the Company or any person (s) authorized by the Board to exercise the power conferred on the Board of Directors of the Company by this resolution} for entering into purchase and sale contract with Crystal Packaging, a related party of company upto an amount of Rs. 10 Crores (Rupees Ten Crores Only) during any financial year as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purposes of identification and in such form and manner as it may deem fit."

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the above Purchase and sale and further including variation of such terms, conditions etc., as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution."

**By Order of the Board
For Vinayak Polycon International Limited**

**Date: 21.07.2016
Place: Jaipur**

**Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR
DIN No. 00217347**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY (A Copy of the Proxy Form is attached at the last Page of Annual Report). THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate members intending to send their authorized representative to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM on their behalf.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 14th August, 2016 to Saturday, 20th August, 2016 (both days inclusive) for the purpose of AGM.
5. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding and Register of Contracts or Arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.
6. Members are requested to:

- a) Notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
- b) Bring their copy of the Annual Report and Attendance Slip with them at the AGM.
- c) Quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.

7. Members are requested to send their demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar and Transfer Agent (RTA):-

MAS Services Limited, (Registrars & Share Transfer Agents),
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II,
New Delhi-110 020
Ph:-26387281/82/83
Fax:-26387384
Email:-info@masserv.com
Website: www.masserv.com

8. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any case change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
9. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mr. Bhanwar Lal Baid (DIN: 00212003) Director of the company, retires by rotation at the ensuing meeting & being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the information about the director proposed to be reappointed is given in the Annexure 1 to the Notice.
10. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.



11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
12. Members who hold shares in the physical form in the multiple folios in identical names or joint holdings in the same order of names are requested to send the Share Certificate to MAS Services Ltd., RTA, for consolidation into single folio.
13. The Notice of AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose email address is registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies are being sent by the permitted mode.
14. The Members, who have not registered their email address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all working days upto the date of the AGM.
16. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.
17. The Company has engaged the services of National Securities Depository Limited (NSDL) as Agency & Mas Services Limited (RTA) to provide e-voting facility.
18. Annual Report and AGM Notice is available at the website of the Company at www.vinayakpolycon.com under 'Annual Reports' tab and on the website of NSDL at www.ndsl.co.in.
19. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as substituted by The Companies (Management and Administration) Amendment Rules, 2015 & Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is offering remote e-voting facility to the members to enable them to cast their votes electronically from a place other than the venue of the AGM ('remote e-voting') provided by NSDL. Please note that remote e-voting is optional and not mandatory.
20. The facility for voting through polling paper shall also be made available at the AGM & members who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
21. Remote e-voting facility would remain open from Wednesday, 17th August, 2016 (9.00 A.M.) to Friday, 19th August, 2016 (5.00 P.M.). During this period, shareholders of the company holding shares either in the physical form or in dematerialized form, as on the cut-off date of 13th August, 2016, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.
22. The voting right of the members shall be in the proportion to the equity shares held by them in the paid up equity share capital of the Company as on 13th August, 2016 ('cut-off date').
23. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary, Jaipur has been appointed as a scrutinizer to scrutinize the remote e-voting & poll process to be carried out at the AGM in a fair and transparent manner.
24. A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at evoting@nsdl.co.in. However, if the person is already registered with the NSDL for remote e-voting then the existing user ID & password can be used for casting vote.



The instructions for members relating to remote e-voting which inter alia would contain details about user ID & password are provided separately along with Annual Report.

THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING FOR THE 7TH ANNUAL GENERAL MEETING ARE PRODUCED HERE UNDER FOR REFERENCE:

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
 - a. Open e-mail and open PDF file viz "VPIL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nSDL.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password/PIN as initial password noted in step (a) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "VinayakPolycon International Limited".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote casted successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@vmandaonline.com with a copy marked to evoting@nsdl.co.in.
- II. **In case of Members receiving Physical copy of Notice of 7th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
 - a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
 - A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nSDL.com or call on toll free no.: 1800-222-990.
 - B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - D. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - E. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
25. The final results including the Remote e-voting & poll results of the AGM shall be declared within 48 hours from the conclusion of the AGM. The final results along with the scrutinizer's report



shall be placed on the Company's website www.vinayakpolycon.com immediately after the result is declared by the Chairman & also on the website of NSDL at <https://www.evoting.nSDL.com/> and shall be communicated to the concerned stock exchange.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4: Approval of Related Party Transaction under Section 188 of Companies Act, 2013

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, aim to ensure transparency in the transactions and dealings between the related parties of the company. The provisions of section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) that governs the related party transactions require that for entering into any contract or arrangement prior approval of Audit Committee and Board of Directors shall be obtained. Further such types of related parties transactions, if exceeds the amount as may be prescribed under the relevant provisions, the shareholders' approval by passing Resolution is required.

In the light of provisions of the Companies Act, 2013 read with rules made there under, the proposed transaction had been approved by members in the 6th Annual General Meeting but Regulation 23(8) of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 states that "All existing material related party contracts or arrangements entered into prior to the date of notification of these regulations and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of these regulations". Therefore Company is proposing this Resolution again in this Annual General Meeting.

The Particulars of the transaction such as - Name of Related parties, Monetary Value, Name of Director or KMP's, if any, and nature of relationships etc in pursuance to Section 188 of the Companies Act, 2013 read with rules made there under are as under:

- (a) **Name of the Related Party:** M/s Crystal Packaging
- (b) **Name of the Directors interested:** Mr.

Bhanwar Lal Baid, Mr. Bharat Kumar Baid and Mr. Vikram Baid

- (c) **Nature of Relationship:** M/s Crystal Packaging is a partnership firm in which Relative of Directors is partner.
- (d) **Nature, duration, material terms, monetary value and particulars of the contract or arrangement:**

Nature: Purchase and sale contract under Section 188 (1)(a) of the Companies Act, 2013

Duration: Ongoing/regular business arrangement

Material Terms: Purchase of Manufactured Products & Raw Material and Sale of Scrap to M/s Crystal Packaging

Monetary Value: Upto maximum of Rs. 10 Crore in a financial year.

Particulars of Contract or Arrangement: Purchase of plastic bottles at the rate prevalent in the market at the time of purchase.

- (e) **Any other information:** All the terms of transactions are on arm's length basis and all factors relevant to the contract have been considered and approved by the Audit Committee and the Board of Directors.

Memorandum of Interest: Mr. Bhanwar Lal Baid, Mr. Bharat Kumar Baid and Mr. Vikram Baid, are interested in the aforementioned firm and concerned and interested in the Resolution. They did not participate in the Board Meeting when this matter was discussed.

The Transactions with above related party are in ordinary course of business. These transactions are of continuous in nature and are not for a specific period.

The members are further informed that no member(s) of the company being a related party or having any interest in the resolution as set out at **item No. 4** shall be entitled to vote on this Resolution.

Other than Mr. Bhanwar Lal Baid, Mr. Bharat Kumar Baid and Mr. Vikram Baid, none of the Directors and KMP of the company or their relatives are concerned or interested financially or otherwise in the aforesaid resolution as Resolution.



The Board of Directors recommends the resolution set forth in **item No. 4** for approval of members.

Annexure 1:

Re-appointment of Mr. Bhanwar Lal Baid (Item No. 2)

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India, following information is furnished about Mr. Bhanwar Lal Baid, Director who is proposed to be re-appointed at the ensuing Annual General Meeting:

Name of the Director	Bhanwar Lal Baid
Date of Birth	30.09.1930
Date of First Appointment on Board	31.12.2009
Designation	Chairman
Qualification(s)	L.L.B.
Brief Resume including experience	Mr. Bhanwar Lal Baid is promoter & Director of the Company since inception and is the eternal guiding light of Vinayak Polycron.
Expertise in specific Functional areas	Mr. Bhanwar Lal Baid is having expert knowledge & experience in general office administration & legal matters.
Name of the Companies in which directorship held as on March 31, 2016	None.
Member of the Committee of Board of other companies	None
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	He is father of Mr. Bharat Kumar Baid, Managing Director and grandfather of Mr. Vikram Baid, Executive Director.
No. of Equity Shares held in the Company as on March 31, 2016	82,338
No. of Board Meetings attended during the year	3
Terms and conditions of reappointment	Non-Executive Director liable to retire by rotation

Except Mr. Bhanwar Lal Baid, being the appointee and Mr. Bharat Kumar Baid and Mr. Vikram Baid, being the relative of the appointee, none of the Directors are concerned or interested in the said resolution.

**By Order of the Board
For Vinayak Polycron International Limited**

Date: 21.07.2016

Place: Jaipur

**Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR
DIN NO. 00217347**

BOARD'S REPORT

To,
The members,
Vinayak Polycron International Limited

Your Directors have pleasure to present their Seventh Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2016.

FINANCIAL RESULTS (Standalone):

The financial performance of the company for the year ended March 31, 2016 is summarized below:

(Amount in Lacs)

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Sales		
Domestic	1527.62	1711.41
Export	0.00	0.00
Other Revenue	1.48	1.42
Total	1529.11	1712.83
Profit Before Interest & depreciation	112.15	133.81
Less: Financial Cost	27.11	40.92
Profit Before depreciation	85.04	92.89
Less: Depreciation	66.59	76.51
Profit/(loss) Before exceptional item	18.45	16.38
Profit Before Tax	18.45	16.38
Less: Tax Liability (including deferred tax)	5.68	5.02
Profit/(Loss) After Tax	12.77	11.36

1. Performance Review

Financial information is presented in accordance with the Accounting Standards (AS). Our reporting currency is Indian Rupees (INR).

Total revenue including other income

The company is engaged in the manufacture of Plastic containers and closures. The net receipts from Operations during the year under review were Rs. 1529.11 Lacs as against Rs. 1712.83 Lacs in the previous year.

Net Profit

The Company reported record profits of 12.77 Lacs for the year, an increase of 12.41% from the previous year.

2. Dividend

In view of future working and expansion projects of the Company, your Directors do not

recommend payment of any dividend for the year ended 31st March, 2016.

3. Reserves

The Board has not proposed transfer of any amount to General Reserve. Whole profit of the Company during the year i.e. Rs. 12.77 Lacs is transferred to the profit & loss a/c for the F.Y. 2015-16, in compliance with the relevant provisions of the Companies Act, 2013.

4. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements



relate and the date of the report.

5. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

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

6. Fixed deposits

During the Financial Year 2015-16, Your Company has not invited, accepted or renewed any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 read together with The Companies (Acceptance of Deposit) Rules, 2014.

7. Auditors and Auditors' Report

A. Statutory Auditors

At the Annual General Meeting held on September 06, 2014, M/s A. Natani & Co., Chartered Accountants, Jaipur (FRN: 007347C) were appointed as statutory auditors of the Company to hold office till the conclusion of the tenth Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s A. Natani & Co., Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained a written certificate from the above mentioned Auditors to the effect that they conform with the limits specified in the said Section and that they are not disqualified for appointment within the meaning of Section 141 of the said Act.

There is no reservation, qualification or adverse remark contained in the Statutory Auditors' Report attached to Balance Sheet as at 31st March, 2016. Information referred in Auditors' Report are self-explanatory and do not call for any further comments.

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of ICAI.

B. Secretarial Auditor

As per the provisions of Section 204 of Companies Act 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice. The Board had appointed M/s V.M. & Associates, Practising Company Secretary, Jaipur (FRN: P1984RJ039200) to conduct Secretarial Audit for the financial year 2015-16.

The Secretarial Audit Report for the financial year 2015-16 is attached herewith as **Annexure 1**. There is no reservation, qualification or adverse remark contained in the Secretarial Auditor Report. Information referred in Secretarial Auditor Report are self-explanatory and don't call for any further comments.

The Board of Directors have re-appointed M/s V. M. & Associates, Company Secretaries, Jaipur (FRN: P1984RJ039200) as Secretarial Auditor of Company for the financial year 2016-17.

C. Cost Auditor

Pursuant to Cost Record & Audit Rules, 2014 notified on 31st December, 2014, and as amended from time to time, the products manufactured by the Company are not covered in Cost Audit w.e.f financial year 2015-16. Hence, the requirement of cost audit is not applicable to the Company.

D. Internal Auditor

Pursuant to Section 138 of the Companies Act 2013, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors.

In line with this requirement, the Board of Directors has appointed Mr. Vikram Baid as Internal Auditor of the Company for the financial year 2015-16. Mr. Vikram Baid is a Chartered Accountant as required under Section 138 of the Companies Act, 2013.

He has submitted Internal Audit Report for the financial year 2015-16 to the Board. No major audit observations were observed during the Internal Audit for the financial year 2015-16.

The Board of Directors have re-appointed Mr. Vikram Baid as Internal Auditor of the Company for the financial year 2016-17.

**8. Capital Structure**

During the F.Y. 2015-16 there is no change in capital structure of the Company and paid up share capital of the Company stands at Rs. 3,08,12,950/- (Three crore eight lacs twelve thousand nine hundred and fifty).

9. Extract of the annual return

Extract of the Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2016, as required under Section 92 (3) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules 2014, is included in the Report as **Annexure 2**.

10. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information related to conservation of energy, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is as follows:

A. Conservation of energy

The operations of the Company are not energy intensive. We regularly evaluate and use new energy efficient technologies and make necessary investment in these equipment to make our infrastructure more energy efficient. The Company has taken significant measures to reduce the energy consumption by the following means:

- a) The Company has increased the consumption of electricity and reduced the consumption of Fuel as much as possible so that carbon footprint of your company is reduced.
- b) The company is aggressively replacing normal and Halogen lamps with LED lights to save electricity. All the lights in factory are now replaced wherever possible.

B. Technology Absorption

- a) The company buys latest technology molds and machine parts from its suppliers to keep itself competitive and updated to latest technology available for its production processes.
- b) The above results in reduction in down time, cycle time and repair costs. The company is always updated in terms of production process and technologies.

C. Foreign Exchange earnings and outgo

There was no Foreign Exchange earnings and outgo in the company during the financial year.

11. Corporate Social Responsibility (CSR)

Your company does not come under the purview of Corporate Social Responsibility. But being a good Corporate Citizen, your company has carried out repair & maintenance of the village road near its factory so that the villagers can have better access to public transport mechanism.

12. Directors**A. Changes in Directors and Key Managerial Personnel**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and articles of Association of the Company, Mr. Bhanwar Lal Baid, Director of the Company retire by rotation and being eligible, offer himself for re-appointment.

A brief resume of Mr. Bhanwar Lal Baid, proposed to be appointed is included in the Notice of Annual General Meeting. The Board recommends his re-appointment.

B. Declaration by an Independent Director(s) and re-appointment, if any

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms & conditions for the appointment of Independent Directors are available on the website of the Company, <http://vinayakpolycon.com/node/29>.

C. Formal Annual Evaluation

Schedule IV to the Companies Act, 2013, mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Board has carried out an annual

performance evaluation of its own performance, that of its Committees and individual Directors. None of the independent directors are due for re-appointment.

D. Criteria for performance evaluation of Independent Directors and the Board

As per the provisions of Schedule IV to the Companies Act, 2013, the Nomination and Remuneration Committee (the "Committee") has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, the Board is required to monitor and review Board Evaluation Framework. The framework includes the evaluation of directors on various parameters such as:

- ? Board Dynamics and Relationship
- ? Information flows
- ? Decision-making
- ? Relationship with Stakeholders
- ? Company performance and strategy
- ? Tracking Board and committees' effectiveness

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. Board approved the evaluation results as collated by

the nomination and remuneration committee. The performance evaluation of the Chairman and Non-Independent Directors was also carried out by the Independent Directors.

13. Number of meetings of the Board of Directors

The Board of Directors met five times during the financial year 2015-16 on 28th April, 2015, 30th May, 2015, 14th August, 2015, 14th November, 2015 and 9th February, 2016. Frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and the Listing Agreement entered into by the company with the Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The names and categories of the Directors on the Board, their attendance at Board meetings during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in the table:1

Name of Director	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Mr. Bhanwar Lal Baid, Chairman	Non-Executive	5	3	No	-	1	-
Mr. Bharat Kumar Baid	Managing Director	5	5	Yes	-	-	-
Mr. Vikram Baid	Executive	5	5	Yes	-	1	1
Mr. Pawan Nahata	Independent	5	2	No	-	3	-
Mr. Niraj Nahata	Independent	5	4	No	-	3	-
Mrs. Anima Bordia	Independent	5	5	Yes	-	4	3

The draft of the minutes prepared by the Company is circulated among the Directors for their comment / suggestion and finally after incorporating their views, final minutes are recorded in the minute's books. Post meeting, important decisions taken are communicated to the concerned officials and departments for the effective implementation of the same.

14. Committees of the Board

Currently, the Board has four committees: the Audit committee, Nomination and Remuneration committee, Stakeholders Relationship committee, and Risk Management committee. All committees, except the Risk Management committee, consist entirely of independent directors.

The composition of the committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Name of the committee	Composition of the committee	Highlights of duties, responsibilities and activities
Audit committee	Anima Bordia, Chairperson Mr. Niraj Nahata Mr. Pawan Nahata	<ul style="list-style-type: none"> All recommendations made by the audit committee during the year were accepted by the Board. The Company has adopted the Whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. In accordance with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, the Company has formulated policies on related party transactions. The policies, including the Whistleblower Policy, are available on our website, http://www.vinayakpolycon.com/policies
Nomination and Remuneration committee	Anima Bordia, Chairperson Mr. Niraj Nahata Mr. Pawan Nahata	<ul style="list-style-type: none"> The committee oversees and administers executive compensation, operating under a written policy adopted by our Board of Directors. The committee has designed and continuously reviews the nomination and remuneration policy for our Directors and senior executives to align both short-term and long-term remuneration with business objectives and to link remuneration with the achievement of measurable performance goals. The nomination and remuneration committee has framed the nomination and remuneration policy. The said policy forms part of this Report as Annexure 3.
Stakeholders Relationship committee	Anima Bordia, Chairperson Mr. Niraj Nahata Mr. Pawan Nahata	<ul style="list-style-type: none"> The committee reviews and ensures redressal of investor grievances. The committee noted that all the grievances of the investors have been resolved during the year.
Risk Management committee	Mr. Vikram Baid, Chairman Mr. Bhanwar Lal Baid Mrs. Anima Bordia	<ul style="list-style-type: none"> The purpose of the committee is to assist the Board in fulfilling its corporate governance with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks efficiently and effectively. The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.



15. Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. Under the said Mechanism, the employees are free to report violations of applicable laws and regulations and the Code of Conduct. It also provides for adequate safeguards against the victimization of persons who use such mechanism. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee. The policy is also available on the Company's website at the link: <http://www.vinayakpolycon.com/sites/default/files/policies/Policy-of-Whistle-Blower-Vigil-Mechanism.pdf>

16. Loans, guarantees or investments

During the year under review, the company has not provided any loan to any person or other body corporate; neither it has given any guarantee or provided security in connection with a loan nor it has acquired by way of subscription, purchase or otherwise the securities of any other body corporate.

17. Related Party Transactions

The Company has framed the policy on related party transaction and Audit Committee has reviewed the related party transaction in every meeting. All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no material significant related party transactions made by the Company with Promoters, Directors, KMP or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large. Particulars of contracts or arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 in the form AOC 2 is annexed herewith as **Annexure 4**.

A list of all related party transactions is placed before the Audit Committee as well as the Board of Directors. The Board has also framed a policy on related party transactions and the same is available on Company's website i.e. <http://www.vinayakpolycon.com/sites/default/files/policies/Policy%20on%20Related%20Party%20Transactions.pdf>

18. Particular of Employees

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, has

been given in the **Annexure 5**.

19. Nomination & Remuneration Policy

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consists of 6 members, one of whom is executive or whole-time director, one is managing director, one is non-executive director and chairman and three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is available on the website of the Company, <http://vinayakpolycon.com/sites/default/files/Nomination%20and%20Remuneration%20Policy.pdf>. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

20. Independent Directors' Meeting

As per the requirement Schedule IV to the Companies Act, 2013, the Independent Directors of the Company met on 15th March, 2016, inter alia to discuss:

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

Attendance of Directors at Independent Directors Meeting

Name of the Directors	15th March, 2016
Mrs. Anima Bordia	✓
Mr. Niraj Nahata	✓
Mr. Pawan Nahata	✓

21. Internal financial control

The Company has well defined mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions



considering the nature, size and complexity of its business. The Company maintains adequate internal control systems that provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company assets. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

Mr. Vikram Baid, Internal Auditor of the Company independently evaluate adequacy of internal controls and audit the majority of the transactions undertaken by the Company. Post audit reviews are carried out to ensure that audit recommendations have been implemented.

The Audit Committee of the Board of Directors which comprises of majority of Independent Directors, inter alia, reviews the adequacy and effectiveness of internal Control and monitors implementation of Internal Audit observations.

22. Risk Management Policy

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

23. Trade Relations

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

The Company maintained healthy, cordial and harmonious Industrial relations at all levels. The Directors wish to place on record their appreciation for the valuable contribution by the employees of the Company.

24. Listing Agreement

The SEBI on September 2, 2015 issued SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective w.e.f. December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited during December, 2015. Listing fees for the year 2016-17 has been duly paid.

25. Depository System

The ISIN no. allotted to the Company is INE581M01016. The Company has also established the required connectivity with both the NSDL & CDSL through its registrar and share transfer agent MAS Services Pvt. Ltd., Delhi for both physical and demat segments.

The equity shares of the Company can be held in electronic form with any depository participant (DP) with whom the Members/Investors have their depository account.

26. Human Resources Development/ Training

Human Resources are the important asset of any enterprise. Success of any enterprise mainly depends on its human power. In this regard, your company has made best efforts to employ good professionals, staff members, labourers etc.

Vinayak Polycron International Limited is keen to retain best of the human resources by effective training and development programs, by providing reasonable wages and salary by creating good working environment etc. Company's human resources are mobilized in order to strengthen the company internally to face future challenges. Your company is providing a "state of art" working environment to the employees with a view to optimize their performance.

27. Prevention Of Insider Trading

In compliance with the provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information on 30th May, 2015 to preserve the confidentiality of price sensitive information, prevent misuse thereof and regulate the trading by Insiders. The code of practice and procedures for fair disclosure of unpublished price sensitive information is also available on the Company's website i.e. www.vinayakpolycon.com.

**28. Corporate Governance and Management Discussion & Analysis Report**

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At VPIL, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

Pursuant to regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory for the time being for Companies having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year.

Since our Company falls in the ambit of aforesaid exemption; hence compliance with the certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory for our Company. Consequently our Company is not required to provide separate section on Corporate Governance and Management's Discussion and Analysis Report.

However, our Company has complied with all the disclosures and requirements which are applicable under all the rules, regulations for the time being in force.

29. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed and there are no material departures from the same
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and

detecting fraud and other irregularities.

- d) The Directors have prepared the annual accounts on a 'Going Concern' basis.
- e) The Directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and area as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

We thank the Government of India, Ministry of Corporate Affairs, Custom & Excise Department, Income Tax Department, BSE, NSDL, CDSL, Bankers, State Governments and other Government Agencies for their continuing support and look forward for the same support in the future.

**PLACE: JAIPUR
DATE: 21.07.2016**

**FOR AND ON BEHALF OF THE BOARD
FOR VINAYAK POLYCRON INTERNATIONAL LIMITED**

**Sd/-
BHARAT KUMAR BAID
MANAGING DIRECTOR**

**Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR**



Annexure 1
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016

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

To,
The Members,
Vinayak Polycron International Limited
312, Navjeevan Complex
29, Station Road, Jaipur - 302 006(Rajasthan)

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (repealed w.e.f. 15th May, 2015)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with BSE Ltd.

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

We further report that

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Jaipur
Date: July 21, 2016

For V.M. & Associates
Company Secretaries

Sd/-
CS Vikas Mehta
Partner
ACS 28964
C P No. : 12789

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

**Annexure A**

To,
The Members
Vinayak Polycon International Limited
312, Navjeevan Complex
29, Station Road, Jaipur - 302 006(Rajasthan).

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Place: Jaipur
Date: July 21, 2016

For V.M. & Associates
Company Secretaries

Sd/-
CS Vikas Mehta
Partner
ACS 28964
C P No. : 12789

**Annexure 2****Form No. MGT-9****EXTRACT OF ANNUAL RETURN**
as on the financial year ended on March 31, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L25209RJ2009PLC030620
ii	Registration Date	31 st December, 2009
iii	Name of the Company	Vinayak Polycron International Limited
iv	Category / Sub Category of the Company	Company Limited by Shares
v	Address of the Registered office and Contact Details	312, Navjeevan Complex, 29, Station Road, Jaipur – 302006 Tele No.: 91-141-2377007 • Fax No : 91-141-2378830 Email: investor@vinayakpolycon.com Website : www.vinayakpolycon.com
Vi	Whether listed Company	Yes
Vii	Name, Address and Contact Details of Registrar and Share Transfer Agent	MAS Services Ltd, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi-110020 Phone No.:+91-11-2638 7281/82/83 Fax no.:+91-11-2638 7384 E-mail: info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of PET Bottles, Jars and Containers	39239090	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
N/A					

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

(i) Category-wise Share Holding



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	12,04,927	-	12,04,927	39.105	12,04,927	-	12,04,927	39.105	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3,54,950	-	3,54,950	11.520	3,54,950	-	3,54,950	11.520	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other.....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	15,59,877	-	15,59,877	50.625	15,59,877	-	15,59,877	50.625	0
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	15,59,877	-	15,59,877	50.625	15,59,877	-	15,59,877	50.625	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
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) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
(2) Non- Institutions									
a) Bodies Corp.									
i) Indian	9,59,386	74,152	10,33,538	33.542	9,92,530	74,152	10,66,682	34.62	1.078
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1,65,940	1,51,714	3,17,654	10.309	1,81,544	1,48,366	3,29,910	10.707	0.398
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,26,433	-	1,26,433	4.103	1,22,236	-	1,22,236	3.967	(0.136)
c) Others (specify)									
i) NBFC registered with RBI	-	-	-	-	1,350	-	1,350	0.04	0.04
ii) Clearing Members	42,553	-	42,553	1.381	-	-	-	-	(1.381)
iii) Non Resident Indians	-	1,240	1,240	0.04	-	1,240	1,240	0.04	0
iv) Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	12,94,312	2,27,106	15,21,418	49.375	12,97,660	2,23,758	15,21,418	49.375	(0.001)
Total Public Shareholding (B)=(B) (1)+ (B)(2)	12,94,312	2,27,106	15,21,418	49.375	12,97,660	2,23,758	15,21,418	49.375	(0.001)
C. Shares held by Custodian For Depository Receipts									
Grand Total (A+B+C)	28,54,189	2,27,106	30,81,295	100.00	28,57,537	2,23,758	30,81,295	100.00	



(ii) Shareholding of Promoters

Sr. No.	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	
1.	Bhanwar Lal Baid HUF	43,369	1.407	-	43,369	1.407	-	-
2.	Varun Baid	80,600	2.616	-	80,600	2.616	-	-
3.	Bhanwar Lal Baid	82,338	2.672	-	82,338	2.672	-	-
4.	Vikram Baid	76,076	2.469	-	76,076	2.469	-	-
5.	Vijay Baid	73,638	2.390	-	73,638	2.390	-	-
6.	Samta Baid	8,007	.260	-	8,007	.260	-	-
7.	Sadhna Baid	94,681	3.073	-	94,681	3.073	-	-
8.	Pushpalata Baid	1,04,844	3.403	-	1,04,844	3.403	-	-
9.	Vinod Baid	53,756	1.745	-	53,756	1.745	-	-
10.	Rajiv Baid	89,420	2.902	-	89,420	2.902	-	-
11.	Bharat Kumar Baid	95,048	3.085	-	95,048	3.085	-	-
12.	Lal Chand Baid	1,36,382	4.426	-	1,36,382	4.426	-	-
13.	Mahendra Nahata	6,200	0.201	-	6,200	0.201	-	-
14.	Rajiv Baid HUF	76,260	2.475	-	76,260	2.475	-	-
15.	Lal Chand Baid HUF	17,174	0.557	-	17,174	0.557	-	-
16.	Bharat Kumar Baid HUF	1,67,134	5.424	-	1,67,134	5.424	-	-
17.	Jai Sinter Polycron Private Limited	3,54,950	11.520	-	3,54,950	11.520	-	-

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Share	% of share of the Company*	No. share	% Company
There is no change during the financial year 2015-16.					



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

Sr. No.	Shareholding of Each of top 10 Shareholder of the Company	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company*	No. of shares	% of total shares of the company*
1	SANKALP GRANITES PRIVATE LIMITED				
	At the beginning of the year	3,23,169	10,488	3,23,169	10,488
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	3,23,169	10,488
2	SUBHRAJ TRADERS PVT. LTD.				
	At the beginning of the year	2,44,218	7,926	2,44,218	7,926
	Purchase / (Sale) from 1st April, 2015 to 31st March, 2016	(2,44,218)	(7,926)	-	-
	At the end of the year	-	-	-	-
3	SIGO POLYMERS PRIVATE LIMITED				
	At the beginning of the year	1,82,714	5,93	1,82,714	5,93
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	1,82,714	5,93
4	MARATHA PETROCHEMICAL PRIVATE LIMITED				
	At the beginning of the year	1,80,854	5,869	1,80,854	5,869
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	1,80,854	5,869
5	TAKMIN TRADING PRIVATE LIMITED				
	At the beginning of the year	-	-	-	-
	Purchase / (Sale) from 1st April, 2015 to 31st March, 2016	1,45,000	4,705	1,45,000	4,705
	At the end of the year	-	-	1,45,000	4,705
6	AUGUST TRADING PRIVATE LIMITED				
	At the beginning of the year	3,731	0.12	3,731	0.12
	Purchase / (Sale) from 1st April, 2015 to 31st March, 2016	1,32,933	4.314	1,36,664	4.434
	At the end of the year	-	-	1,36,664	4.434
7	RAJ KUMAR SETHIA				
	At the beginning of the year	85,137	2,763	85,137	2,763
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	85,137	2,763
8	RIDAM POLYMERS PRIVATE LIMITED				
	At the beginning of the year	86,422	2,805	86,422	2,805
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	86,422	2,805
9	MANSUKH STOCK BROKERS LIMITED				
	At the beginning of the year	37,487	1,217	37,487	1,217
	Purchase / (Sale) from 1st April, 2015 to 31st March, 2016	(37,487)	(1,217)	-	-
	At the end of the year	-	-	-	-
10	PRITTY DEVI SARAWAGI				
	At the beginning of the year	25,952	0,842	25,952	0,842
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	25,952	0,842



(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company*	No. of shares	% of total shares of the company*
1	Bhanwar Lal Baid, Chairman				
	At the beginning of the year	82,338	2.672	82,338	2.672
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	82,338	2.672
2	Bharat Kumar Baid, Managing Director & CEO				
	At the beginning of the year	95,048	3.085	95,048	3.085
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	95,048	3.085
3	Vikram Baid, Executive Director & CFO				
	At the beginning of the year	76,076	2.469	76,076	2.469
	There is no change during the financial year 2015-16.				
	At the end of the year	-	-	76,076	2.469

Note: The following director and KMP did not held any shares during the financial year 2015-16:

- | | |
|----------------------|-----------------------|
| 1. Mrs. Anima Bordia | 3. Mr. Niraj Nahata |
| 2. Mr. Pawan Nahata | 4. Ms. Rashmi Agarwal |

V. INDEBTEDNESS

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

Particulars	Secured Loans Excluding Deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	2,69,84,026	-	-	2,69,84,026
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,69,84,026	-	-	2,69,84,026
Change in Indebtedness during the financial year				
Addition	64,14,915	-	-	-
Reduction	(47,53,069)	-	-	-
Net Change	16,61,846	-	-	16,61,846
Indebtedness at the end of the financial year				
(i) Principal Amount	2,86,45,872	-	-	2,86,45,872
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,86,45,872	-	-	2,86,45,872


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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Bharat Kumar Baid, Managing Director	Vikram Baid, Executive Director	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19,20,000	18,00,000	37,20,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,39,300	28,800	3,68,100
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, (Bonus + PF)	3,80,400	3,42,000	7,22,400
	Total (A)	26,39,700	21,70,800	48,10,500
	Ceiling as per the Act (Schedule V, Part-II, Section-II)	84,00,000		84,00,000

B. Remuneration to other Directors:

1. Independent Directors					
S. No.	Particulars of Remuneration	Name			Total Amount
		Mrs. Anima Bordia	Mr. Niraj Nahata	Mr. Pawan Nahata	
	· Fee for attending board/ committee meetings	-	-	-	-
	· Commission	-	-	-	-
	· Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2. Other Non - Executive Directors					
Sr. No	Particulars of Remuneration	Name of Directors		Total Amount	
		Mr. Bhanwar Lal Baid			
	· Fee for attending board / committee meetings	-		-	
	· Commission	-		-	
	· Others, please specify	-		-	
	Total (2)	-		-	
Total (B) = (B)(1)+(B)(2)				-	



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

Sr. No	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Ms. Rashmi Agarwal, Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,00,000	3,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others, specify...	-	-
5	Others, please specify	-	-
	Total	3,00,000	3,00,000

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	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

PLACE: JAIPUR
DATE: 21.07.2016

FOR AND ON BEHALF OF THE BOARD
FOR VINAYAK POLYCRON INTERNATIONAL LIMITED

Sd/-
BHARAT KUMAR BAID
MANAGING DIRECTOR

Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR



Annexure 3

Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

1. "Board" means the Board of Directors of the Company.
2. "Directors" means the Directors of the Company.
3. "Company" means Vinayak Polycron International Limited.
4. "Key Managerial Personnel" (KMP) means:
 - i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole time Director;
 - ii) Company Secretary; and
 - iii) Chief Financial Officer
5. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
6. "Senior Managerial Personnel" means the personnel of the company who are members of its core management team excluding Board of Directors and KMP's. Normally, this would comprise all members of management, one level below the Executive Directors, including functional heads.
7. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

Objective:

The objective of the policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, KMP senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.



- To perform such other functions as may be necessary or appropriate for the performance of its duties.

NR Policy

NR Policy is divided into four parts as follows:

I. QUALIFICATIONS: Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:

a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

c. Senior Management Personnel and KMP and Other Employees

The Company has an hierarchy structure displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the hierarchy structure of the Company.

II. REMUNERATION:

a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel:

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package:

Fixed Component		
Basic Salary	Allowances	Superannuation

b. Structure of Remuneration for Non-executive Director:

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

- Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.



- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all travelling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

c. Structure of Remuneration for Other Employees:

The power to decide structure of remuneration for other employees has been delegated to Mr. Vikram Baid, Whole time Director the Company.

III. REMOVAL & RETIREMENT

- a. The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.
- b. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

IV. EVALUATION

a. Criteria for evaluating Non-executive Board members:

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b. Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

c. Criteria for evaluating performance of Other Employees:

The power to decide criteria for evaluating performance of Other Employees has been delegated to Mr. Vikram Baid, Whole time Director of the Company.

Communication of this Policy:

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the web-site of the Company and in the Annual Report of the Company.

Implementation:

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

Amendment:

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**Annexure 4****Form AOC-2**

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of Contracts or Arrangements or transaction not at arm's length basis: NIL

Name(s) of Related Party and Nature of Relationship	Nature of Contracts / Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient features of Contracts/ Arrangements/ Transactions, Including value, if any	Justification for entering into such contracts or arrangements Or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which special Resolution passed in general meeting as required under first proviso to Section 188
N.A							

2. Details of Material Contracts or Arrangements or Transactions at arm's length basis:

Related Party and Nature of Relationship	Nature of Contracts / Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient features of Contracts/ Arrangements/ Transactions, including value, if any	Date of approval by the Board / Audit Committee	Amount paid as advances, if any
Mrs. Vinod Baid, Relative of Director	Rent Payment	Ongoing Basis as per requirement	Payment of Rent being House Rent of Director's Residence to Mrs. Vinod Baid at Rs. 71500 per month	30.05.2014	Nil
Crystal Packaging, Relative of Director is Partner	Purchase and Sale Contract	Ongoing Basis as per requirement	Purchase of Manufactured Products & Raw Material from M/s Crystal Packaging and Sale of Scrap to Crystal Packaging	14.08.2015	Nil
Jai Sinter Polycon Private Limited, Vikram Baid is Director of the Company	Rent Payment and Labor Services	Ongoing Basis as per requirement	Payment of Rent being rent of Plant & Machinery and Building of M/s Jai Sinter Polycon Private Limited and payment of labor charges of labor supplied by M/s Jai Sinter Polycon Private Limited	28.04.2015	Nil

PLACE: JAIPUR
DATE: 21.07.2016

FOR AND ON BEHALF OF THE BOARD
FOR VINAYAK POLYCON INTERNATIONAL LIMITED

Sd/-
BHARAT KUMAR BAID
MANAGING DIRECTOR

Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR

**Annexure 5****Particulars of Employees****(a) Information as per Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2016****A. Remuneration paid to Whole Time Director/Managing Director** (Amount in Lacs)

Name of Director	Remuneration in FY 2015-16	Remuneration in FY 2014-15	% Inc./Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Vikram Baid	21.71	16.86	28.77%	20.10
Mr. Bharat Kumar Baid	26.40	20.37	29.60%	24.44

B. Remuneration paid to KMPs

Name of Director	Remuneration in FY 2015-16	Remuneration in FY 2014-15	% Inc./Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Vikram Baid –CFO	Nil	N/A	0.00	0.00
Miss Rashmi Agarwal, CS	3	N/A	0.00	2.78

- C. The median remuneration of employees was Rs. 1,08,000 in financial year 2015-16 and Rs. 78,000/- in financial year 2014-15. There was increase in MRE in financial year 2015-16 of 38.46% as compared to financial year 2014-15.
- D. Number of permanent employees on the rolls of Company was 54 employees as on 31.03.2016.
- E. The aggregate remuneration of the non-managerial employees was increased by 5.49% whereas the remuneration of Whole Time Director and Managing Director was increased by 29.19%. There are no exceptional circumstances in increase in the managerial remuneration.
- J. Remuneration paid during the year ended 31st March, 2016 is as per the Nomination & Remuneration Policy of the Company.

(b) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

List of Top 10 employees of the Company according to the remuneration drawn during the year 2015-16 as per the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

S.N	Name	Remuneration
1	Bharat Baid	2639700
2	Vikram Baid	2170800
3	Maha Deo Patil	360000
4	Rashmi Agarwal	300000
5	Madhumati Patil	294000
6	Shiva Nand B Biradar	288000
7	G.L.jangid	276000
8	Vilas Veer Shetty	264000
9	Ram Chandra Singh	252000
10	Vinod Gupta	252000



INDEPENDENT AUDITOR'S REPORT

To the Members
of Vinayak Polycron International Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Vinayak Polycron International Ltd. ("the Company"), which comprise the balance sheet as at 31st March, 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2016, and its profit, and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in the paragraphs 3 and 4 of the order.



2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid 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) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended on March

**FOR A.NATANI & CO.
Chartered Accountants
Firm Reg. No. 007347C**

**Sd/-
ASHOK KUMAR NATANI
PARTNER
Membership No. 074692**

**Place : JAIPUR
Date : 19-05-2016**



**Annexure 1 referred to in paragraph 1 of the section on
"Report on other legal and regulatory requirements" of our report of even date**

To the Members of Vinayak Polycron International Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) According to the information and explanations given to us, the Company has not made any investments under Section 186 of the Companies act, 2013. There are no loans, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) According to the information and explanations given to us, the Company is neither required to conduct Cost Audit nor required to maintain Cost Accounting Records for the current financial year under Section 148 of Companies Act, 2013.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues in respect of a financial institution or to government during the year and there were no outstanding debentures.



- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we report that the managerial remuneration paid / provided during the year is within the limits specified u/s 197 read with Schedule V to the Companies Act, 2013. Proper approval has been obtained from Members by the Company in the last annual general meeting held on 26th September, 2015.
- (xii) In our opinion, the Company is not a nidhi company. therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, transactions with the Related parties are in compliance with section 177 and 188 of Companies Act, 2013, wherever applicable, and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given 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 not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

FOR A.NATANI & CO.
Chartered Accountants
Firm Reg. No. 007347C

Sd/-
ASHOK KUMAR NATANI
PARTNER
Membership No. 074692

Place : JAIPUR
Date : 19-05-2016



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT
of even date on the Standalone Financial Statements of
Vinayak Polycron International Limited**

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

To the Members of Vinayak Polycron International Limited

We have audited the internal financial controls over financial reporting of Vinayak Polycron International Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external



purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Company, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 19, 2016 expressed an unqualified opinion thereon.

Place : JAIPUR
Date : 19-05-2016

FOR A.NATANI & CO.
Chartered Accountants
Firm Reg. No. 007347C

Sd/-
ASHOK KUMAR NATANI
PARTNER
Membership No. 074692



VINAYAK POLYCON INTERNATIONAL LIMITED
312, NAVJEEVAN COMPLEX 29, STATION ROAD, JAIPUR.
BALANCE SHEET AS AT 31st MARCH 2016

PARTICULARS	Note	(Amt. In Rs.)	
		AS AT 31.03.2016	AS AT 31.03.2015
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital	3	30,812,950	30,812,950
Reserve and Surplus	4	7,957,021	6,680,804
		<u>38,769,971</u>	<u>37,493,754</u>
Non Current Liabilities			
Long Term Borrowings	5	0	5,118,085
Deferred Tax Liability (Net)	6	1,706,475	2,066,722
Other Long Term Liabilities	7	9,549,140	9,549,140
Long Term Provisions		0	0
		<u>11,255,615</u>	<u>16,733,947</u>
Current Liabilities			
Short Term Borrowings	8	23,959,377	17,544,462
Trade Payables	9	1,745,770	4,523,078
Other Current Liabilities	10	5,644,167	5,177,204
Short Term Provisions	11	2,825,405	2,139,080
		<u>34,174,719</u>	<u>29,383,824</u>
TOTAL		<u>84,200,305</u>	<u>83,611,525</u>
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	12	36,264,529	39,220,654
Capital Work in Progress	12	0	0
Non Current Investments		0	0
Long Term Loans and Advances	13	2,665,221	2,072,525
		<u>38,929,750</u>	<u>41,293,179</u>
Current Assets			
Current Investments		0	0
Inventories	14	9,055,341	10,290,502
Trade Receivables	15	28,847,379	23,982,181
Cash and Cash Equivalents	16	802,294	313,122
Short Term Loans and Advances	17	6,565,541	7,639,818
Other Current Assets	18	0	92,723
		<u>45,270,555</u>	<u>42,318,346</u>
TOTAL		<u>84,200,305</u>	<u>83,611,525</u>

Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements

For A. Natani & Co.

For and on behalf of the Board of Directors

Chartered Accountants
Firm Regn. No. 007347CSd/-
CA Ashok Kumar Natani
Partner
Membership No. 074692
Place : Jaipur
Date : 19.05.2016Sd/-
Bhanwar Lal Baid
DIN:00212003
ChairmanSd/-
Bharat Baid
DIN:00212506
Managing DirectorSd/-
Vikram Baid
DIN:00217347
DirectorSd/-
Rashmi Agarwal
Company
Secretary



VINAYAK POLYCON INTERNATIONAL LIMITED

312, NAVJEEVAN COMPLEX 29, STATION ROAD, JAIPUR.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31.03.2016

(Amt. In Rs.)

PARTICULARS	Note	For the Year Ended	
		31.03.2016	31.03.2015
INCOME			
Revenue from Operations	19	189,115,139	212,738,574
Less: Excise Duty, Taxes Etc.		36,352,779	41,597,146
Net Revenue from Operations		152,762,361	171,141,428
Other Income	20	148,449	141,646
TOTAL		152,910,810	171,283,074
EXPENSES			
Cost of Material Consumed	21	90,213,770	114,110,626
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	22	(460,580)	62,810
Employee Benefits Expense	23	15,689,037	13,456,509
Finance Cost	24	2,711,396	4,091,564
Depreciation and Amortization Expense	12	6,659,486	7,651,638
Other Expenses	25	36,253,189	30,272,324
TOTAL		151,066,298	169,645,471
PROFIT/(LOSS) BEFORE TAX		1,844,512	1,637,603
Less: Tax Expenses			
Current Tax		(928,542)	(930,623)
Deferred Tax		360,247	429,072
PROFIT FOR THE YEAR		1,276,217	1,136,053
Earnings per Equity Share of face value of Rs. 10/- each			
Basic	26	0.41	0.37
Diluted	26	0.41	0.37
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached.

For A. Natani & Co.
Chartered Accountants
Firm Regn. No. 007347C

For and on behalf of the Board of Directors

Sd/-
CA Ashok Kumar Natani
Partner
Membership No. 074692
Place : Jaipur
Date : 19.05.2016

Sd/-
Bhanwar Lal Baid
DIN:00212003
Chairman

Sd/-
Bharat Baid
DIN:00212506
Managing Director

Sd/-
Vikram Baid
DIN:00217347
Director

Sd/-
Rashmi Agarwal
Company
Secretary



VINAYAK POLYCON INTERNATIONAL LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

	2015-2016 (in Rs.)	2014-2015 (in Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	1,844,512	1,637,603
Adjustment for :		
Depreciation	6,659,486	7,651,638
Preliminary/Deferred Expenses Written off	92,723	92,724
Profit/Loss on sale of Investment/Assets	-	-
Provision written back	-	-
Adjustment for change of useful life of fixed assets as per Schedule II of Companies Act, 2013	-	-
Foreign Exchange	-	-
Interest & Other income on Investments	(143,079)	(141,646)
Interest	2,711,396	4,091,564
Operating profit before working capital changes	11,165,038	13,331,883
Adjustment for (Increase) / Decrease in Operating Assets		
Inventories	1,235,161	(1,651,386)
Trade Receivables	(4,865,198)	5,772,111
Short Term Loans and Advances	1,074,277	8,199,109
Long Term Loans and Advances	(592,696)	(121,381)
Other Current Assets	-	-
Other Non-Current Assets	-	-
Adjustment for Increase / (Decrease) in Operating Liabilities		
Trade Payables	(2,777,308)	(624,022)
Other Current Liabilities	466,963	(4,708,010)
Other Long Term Liabilities	-	-
Short Term Provisions	686,325	(132,039)
Long Term Provisions	-	-
Working Capital Changes	(4,772,476)	6,734,382
Cash generated from operations	6,392,562	20,066,265
Taxes Paid / Payable Net	928,541	930,622
NET CASH FROM OPERATING ACTIVITIES (A) :	5,464,021	19,135,643
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed Assets Including Capital Advances	(3,703,362)	(122,323)
Proceeds from sale of Fixed assets	-	-
Deposits / Investments	-	-
Dividend Income	-	-
Interest Income / Other Income	143,079	141,646
Bank Balances not considered as cash and cash Eq.	-	-
NET CASH FROM INVESTING ACTIVITIES (B) :	(3,560,283)	19,323
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	-	-
Repayment of long term Borrowings	(5,118,085)	(5,839,427)
Net Increase / Decrease in Working Capital Borrowings	6,414,915	(9,214,823)
Proceeds from Short Term Borrowings	-	-
Repayment of Short Term Borrowings	-	-
Finance Cost	(2,711,396)	(4,091,564)
Dividend and Tax thereon Paid	-	-
Cash Flow from extraordinary items	-	-
NET CASH USED IN FINANCING ACTIVITIES (C) :	(1,414,566)	(19,145,814)
Net changes in cash and cash equivalents(A+B+C)	489,172	9,152
Cash & Cash equivalents Opening Balance	313,122	303,970
Net changes in cash and cash equivalents	489,172	9,152
Cash & Cash equivalents Closing Balance	802,294	313,122

For A. Natani & Co.

For and on behalf of the Board of Directors

Chartered Accountants
Firm Regn. No. 007347CSd/-
CA Ashok Kumar Natani
Partner
Membership No. 074692
Place : Jaipur
Date : 19.05.2016Sd/-
Bhanwar Lal Baid
DIN:00212003
ChairmanSd/-
Bharat Baid
DIN:00212506
Managing DirectorSd/-
Vikram Baid
DIN:00217347
DirectorSd/-
Rashmi Agarwal
Company
Secretary

**VINAYAK POLYCON INTERNATIONAL LIMITED****Notes forming part of the Financial Statements****as at and for the year ended March 31, 2016****Note 1 CORPORATE INFORMATION**

Vinayak Polycron International Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company were demerged from Polycron International Limited, a listed company also domiciled in India under the Demerger Scheme approved by the Honourable High Court of Rajasthan, Jaipur Bench vide Order Dated 21-07.2011. The company is engaged in the manufacturing and trading of PET Items like PET Bottles, PET Jars, PET Preforms, Caps and Lids etc. Its manufacturing facilities are located at Chennai and Jaipur.

Note 2 SIGNIFICANT ACCOUNTING POLICIES**a) Basis of preparation of financial Statements**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the provisions of Companies Act, 2013 ("The Act") and Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with Paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual. All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013. The accounting policies adopted in preparation of financial statements are consistent with those of the previous year.

b) Use of Estimates

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

c) Tangible fixed assets

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

d) Depreciation on tangible fixed assets

Depreciation has been provided using the written down value method at the rate determined based on the estimated useful lives of the tangible assets where applicable, specified in the Schedule II to The Act and in keeping with other provisions of the said schedule.

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

e) Impairment of tangible assets

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

**f) Investments**

Investments, if any, are stated at cost.

g) Inventories

Inventories are valued at lower of cost or net realizable value as per stock taken, verified, valued and certified by the management.

h) Revenue Recognition

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

i) Expenditure

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

j) Retirement and other employee benefits

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

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

k) Borrowing costs

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

l) Taxes on Income

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

m) Provisions and contingencies

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

n) Foreign Currency Transactions

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

o) Cenvat Credit/Value Added Tax

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

Note 3 SHARE CAPITAL
(Amt. In Rs.)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Authorised Share Capital				
Equity shares of Rs. 10/- each with voting rights	3,250,000	32,500,000	3,250,000	32,500,000
Issued, Subscribed and Fully Paid-up				
Equity shares of Rs. 10/- each with voting rights, fully paid up	3,081,295	30,812,950	3,081,295	30,812,950
TOTAL	3,081,295	30,812,950	3,081,295	30,812,950

3.1) Reconciliation of equity shares and amount outstanding

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity Shares at the beginning of the year	3,081,295	30,812,950	3,081,295	30,812,950
Issued / Subscribed During the year	-	-	-	-
Equity Shares at the end of the year	3,081,295	30,812,950	3,081,295	30,812,950

3.2) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. All equity shareholders rank equally with regard to dividends and share in the company's residual assets. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM.

In the event of liquidation of the company, the holder 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 shareholder

3.3) The details of shareholders holding more than 5% shares:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	% held	No of Shares	% held
Jai Sinter Polycon Private Limited	354,950	11.52	354,950	11.52
Sankalp Granites Private Limited	323,169	10.49	323,169	10.49
Subhraj Traders Private Limited	-	-	244,218	7.93
SIGO Polymers (P) Ltd	182,714	5.93	182,714	5.93
Maratha Petrochemicals (P) Ltd	180,854	5.87	180,854	5.87
Bharat Kumar Baid (H)	167,134	5.42	167,134	5.42
	1,208,821	39.23	1,453,039	47.16

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of 5 years immediately preceding the balance sheet date.

Note 4 RESERVE & SURPLUS
(Amt. In Rs.)

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
General Reserve		
Balance as at the Beginning of the year	3,040,324	3,040,324
	3,040,324	3,040,324

Surplus in the Statement of Profit and Loss

Balance as at the Beginning of the year	3,640,480	2,593,515
Add: Profit for the Year	1,276,217	1,136,053
Less: Adjustment *1		(89,088)
Balance as at the end of the year	<u>4,916,697</u>	<u>3,640,480</u>
TOTAL	<u>7,957,021</u>	<u>6,680,804</u>

*1 Adjustment for change of useful life of fixed assets as per Schedule II of Companies Act, 2013 (Refer Note No. 12)

Note 5 LONG TERM BORROWINGS (Amt. In Rs.)

PARTICULARS	AS AT March 31, 2016		AS AT March 31, 2015	
	Current Maturities	Non Current Maturities	Current Maturities	Non Current Maturities
Secured				
a). Term Loan from I.O.B.	4686495	0	4,168,000	5,118,085
b) Car Loan from HDFC			153,479	
Unsecured				
b). Loans from Bodies Corporate				
	<u>4,686,495</u>	<u>0</u>	<u>4,321,479</u>	<u>5,118,085</u>

a) Term Loans Rs.46.86 Lac from Bank together with interest and other charges thereon, is secured by equitable mortgage on company's land and building situated at village Pandur, Chengalpattu Taluk, Distt. Kanchipuram (Tamil Nadu) and Hypothecation of plant and machinery and personal guarantee of three Directors of the company. It carries interest @BR + 2.5% p.a. on monthly rest (currently 9.7+2.5=12.2%). The said loan is repayable in 4 quarterly instalments of Rs. 10.42 Lacs each and interest and balance payment of Rs. 5.18 Lacs is to be paid in year 2016-17 itself.

Note 6 DEFERRED TAX LIABILITY (NET) (Amt. In Rs.)

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Deferred tax liability arising on account of: Timing Difference in Depreciable Assets	1,706,475	2,066,722
	<u>1,706,475</u>	<u>2,066,722</u>

Note 7 Other Long Term Liabilities (Amt. in Rs.)

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Balance due to Demerger from Polycon International Limited	9,549,140	9,549,140
TOTAL	<u>9,549,140</u>	<u>9,549,140</u>

**Note 8 SHORT TERM BORROWINGS****(Amt. in Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Secured		
Cash Credit from I.O.B.	23,959,377	17,544,462
TOTAL	23,959,377	17,544,462

Cash credits facilities from Indian Overseas Bank together with interest and other charges thereon, is secured by mortgage of company's land and building together with other immovable assets thereon both present and future and by way of a hypothecation charge over all movable assets including book debts of the company and secured by personal guarantee of three directors of the company. Cash credit is payable on demand and carries interest rate@BR + 2% p.a. on monthly rest (Currently 9.7 + 2 = 11.7%)

Note 9 TRADE PAYABLES**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Sundry Creditors for goods, services & Exp.	1,745,770	4,523,078
TOTAL	1,745,770	4,523,078

Note 10 OTHER CURRENT LIABILITIES**(Amt. in Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Current Maturities of Long Term Borrowings	4,686,495	4,321,479
Statutory Dues	700,726	482,210
PF Payable	119,246	98,103
Payable on Account of Capital Goods	137,700	275,412
TOTAL Rs.	5,644,167	5,177,204

Note 11 SHORT TERM PROVISIONS**(Amt. in Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Provision for Tax	928,542	907,564
Provision for Expenses	1,896,863	1,231,516
TOTAL	2,825,405	2,139,080



Note : 12

	GROSS BLOCK		DEPRECIATION				NET BLOCK				
	As on 01.04.2015	Addition during the year	Deduction during the year	As on 31.03.16	Upto 31.03.15	For the year	Deduction during the year	Adj. With Retained Earnings	Total Depreciation	As at 31.03.16	As at 31.03.15
1 LAND (Leasehold)	1382687	0	0	1382687	0	0	0	0	0	1382687	1382687
2 FACTORY BUILDING	13265437	0	0	13265437	6720760	614506			7335266	5930171	6544677
3 PLANT & MACHINERY	56024255	2091000	0	58115255	31238497	4579457			35817954	22297301	24785758
4 ELECTRIC INSTALATION	2990548	0	0	2990548	1844973	230748			2075721	914827	1145575
5 OFFICE EQUIPMENTS	346311	0	0	346311	313066	8861			321927	24984	33245
6 FURNITURE & FIXTURES	667655	0	0	667655	483062	59244			542306	125349	184593
7 VEHICLES	2160850	0	0	2160850	1571701	197763			1769464	391386	589149
8 COMPUTERS	690037	89990	0	780027	565874	69869			635743	144284	124163
9 MOULDS & DIES	24750395	1522372	0	26272767	20319589	899038			21218627	5054140	4430807
TOTAL	102278175	3703362	0	105981537	63057522	6659486		0	69717008	36264529	39220654
Figure for the previous year	102155852	122323	0	102278175	55316795	7651638		0	89088	39220654	

**Note 13 LONG-TERM LOANS AND ADVANCES****(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Unsecured Considered Good (Unless Otherwise stated)		
Security Deposits	2,665,221	2,072,525
TOTAL	2,665,221	2,072,525

Note 14 INVENTORIES**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Raw Material	5,833,018	7,548,459
Stores	120,300	90,200
Fuel	0	10,400
Finished Goods	3,102,023	2,641,443
TOTAL	9,055,341	10,290,502

Note 15 TRADE RECEIVABLES**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Unsecured, Considered Good (Unless Otherwise stated)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	6,724,514	5,979,990
Other trade receivables	22,122,865	18,002,191
TOTAL	28,847,379	23,982,181

Note 16 CASH AND CASH EQUIVALENTS**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Cash on Hand	792,044	162,402
Balances with Bank		
In Current Accounts	10,250	150,720
TOTAL	802,294	313,122

Note 17 SHORT-TERM LOANS AND ADVANCES**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Loans and Advances to Related Parties	0	3,659,027
Advances against Goods supply / Expenses	2,173,599	1,054,275
Advance Income Tax (Incl. TDS)	938,308	863,915
Prepaid Expenses	256,620	210,342
Balance with Excise / Sales Tax / Service Tax	942,328	1,309,089
Advances to Employees (Unsecured, Considered Good)	593,860	527,239
Advances against Capital Goods	1,660,826	15,931
TOTAL	6,565,541	7,639,818

Note 18 OTHER CURRENT ASSETS**(Amt. In Rs.)**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
Preliminary Expenses (To the extent not written off)	0	92,723
TOTAL	0	92,723

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Note 19 REVENUE FROM OPERATIONS		(Amt. in Rs.)
Sale of Products		
Finished Goods (less of Sales Returns) *1	189,115,139	212,738,574
Less: Excise Duty Etc.	36,352,779	41,597,146
	<u>152,762,361</u>	<u>171,141,428</u>
	152,762,361	171,141,428
*1 The amount of Sales of Products has been reduced by Rs 43,47,447 which is the amount of goods sold from Jaipur Unit to Chennai.		
Details of Products Sold:		
Pet Bottles, Jars and Caps	152,407,401	170,038,753
Others	354,960	1,102,675
Total	152,762,361	171,141,428
Note 20 OTHER INCOME		
Interest Received	143,079	141,646
Miscellaneous Receipts	5,370	
Total	148,449	141,646
Note 21 COST OF MATERIALS CONSUMED		
A Raw Material		
Inventories at the beginning of the year	7,548,459	5,792,513
Add:- Purchases	85,703,272	110,311,559
	<u>93,251,731</u>	<u>116,104,072</u>
Less:- Inventories at the end of the year	5,833,018	7,548,459
Raw Material Consumed	<u>87,418,713</u>	<u>108,555,613</u>
B Packing Material	2,795,057	5,555,013
TOTAL	90,213,770	114,110,626
Raw Material Consumed:		
PET	78,138,060	90,819,118
PP	9,280,653	17,736,495
Packing Material	2,795,057	5,555,013
TOTAL Rs.	90,213,770	114,110,626
Note 21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Finished Goods at the beginning of the year	2,641,443	2,704,253
Finished Goods at the end of the year	3,102,023	2,641,443
Net Decrease/(Increase)	(460,580)	62,810
Note 23 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and Incentives	14,233,936	12,337,127
Contribution to Provident and Other Funds	775,659	902,377
Staff Welfare Expenses	679,442	217,005
Total	15,689,037	13,456,509
Note 24 FINANCE COST		
Interest to Bank	2,480,449	3,997,908
Other Borrowing Cost	230,947	93,656
TOTAL Rs.	2,711,396	4,091,564

PARTICULARS		FOR THE YEAR ENDED31.03.2016	FOR THE YEAR ENDED31.03.2015
Note	25 OTHER EXPENSES		(Amt. in Rs.)
	Consumption of Stores and Spare parts	3,733,864	3,131,158
	Electricity and Fuel Charges	16,250,813	13,886,566
	Payment to Auditors as Auditors - Statutory Audit	25,250	25,000
	Repairs and Maintenance Plant and Machinery	1,495,570	893,787
	Building	269,554	271,863
	Mould	2,129,500	
	Others	330,052	218,991
	Tour & Travelling Domestic	891,054	891,526
	Foreign		
	Postage, Telegraph & Telephone	186,673	160,030
	Insurance	303,318	316,503
	Legal Expenses & Professional Fees	468,530	470,784
	Conveyance & Vehicle Maintenance	100,102	109,762
	Preliminary Expenses written off	92,723	92,724
	Rates & Taxes	6,822	221,524
	Service Tax on Transport	84,888	
	Advertisement Expences	67,654	74,261
	Transport, Handling & Octroi (net)	3,519,265	6,072,754
*	Rent	1,244,600	1,229,600
*	Factory Rent	3,200,050	-
	Freight and Cartage Expenses	1,350,009	1,022,421
	Miscellaneous Expenses	502,898	1,183,070
	TOTAL Rs.	36,253,189	30,272,324

* Rent and factory rent paid towards lease of Residential apartment, Office premices, and factory. These are subject to renewal by mutual agreement.

Note 26 EARNINGS PER SHARE (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. (For the purpose of calculation of number of shares outstanding during the year, shares issued / to be issued pursuant to the scheme of demerger are also counted as complete shares fully paid up.

	FOR THE YEAR ENDED31.03.2016	FOR THE YEAR ENDED31.03.2015
		(Amt. in Rs.)
Profit attributable to Equity shareholders	1,276,217	1,136,053
Weighted average Number of Equity shares outstanding during the year	3,081,295	3,081,295
Basic Earnings Per Share	0.41	0.37
Diluted Earnings per share	0.41	0.37
Nominal Value per share	10/-	10/-

**Note 27 SEGMENT INFORMATION****PRIMARY:**

The company is engaged in the business of providing packaging solutions primarily in the field of PET bottles and jars and closures, which constitutes single business segment. As per management perspective the risks and returns from its sales do not materially vary geographically. Accordingly, there are no other business segments to be reported as per AS-17 issued under the Companies (Accounting Standards) Rules, 2006.

Note 28 CONTINGENT LIABILITIES**(Amt. In Rs.)**

	AS AT 31.03.2016	AS AT 31.03.2015
a) Excise matter disputed in appeals	-	-
b) Claims against the company not acknowledged as debts	-	-
c) Sales tax matters disputed in appeals	-	-
d) Income Tax matters disputed in appeals	-	-
TOTAL	-	-

Note 29 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprise has issued an office memorandum dated 26.08.2008, which recommends that Micro and Small Enterprises should mention in their correspondence with its customers, the entrepreneur's memorandum number as allocated after filing of memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as on 31.03.2016 and 31.03.2015 has been made in the financial statements based on the information provided by the management. Based on the information currently available with the company, there are no dues payable to Micro and Small Suppliers as defined in the Micro, Small and Medium Enterprise Development Act, 2006

(Rupees in lacs)

	AS AT 31.03.2016	AS AT 31.03.2015
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv) The amount of interest due and payable for the year	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
TOTAL	-	-

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



Note 30 RELATED PARTY TRANSACTIONS

Names of related parties where control exists and their Relationship

HMI Corporation	Relative of Director are Partner
Jai Sinter Polycron Pvt. Ltd.	Director Holds office of Profit
Crystal Packaging	Relative of Director are Partner
Vinod Baid	Relative of Director

Key Management Personal

- Shri Bharat Baid
- Shri Vikram Baid

Notes forming part of Financial Statements (Contd) for the year ended 31st March, 2016

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

(Amt. in Lacs)

		AS AT	AS AT
		31.03.2016	31.03.2015
Nature of transactions			
1	Sale of goods		
	Crystal Packaging	180.14	14.64
2	Receiving of Services		
	Jai Sinter Polycron Pvt. Ltd.	23.22	4.88
	Crystal Packaging	-	1.85
3	Rent		
	Vinod Baid	8.58	8.58
	Jai Sinter Polycron Pvt. Ltd.	30.00	-
4	Purchases of Stores and Items		
	Jai Sinter Polycron Pvt. Ltd.	-	17.29
	Crystal Packaging	-	110.22
	H.M.I. Corporation	13.29	-
5	Short Term Loans Given / Taken during the year		
	HMI Corporation	-	0 / 12.33
	Managerial Remuneration (As per Companies Act 2013)		
	Mr. Bharat Baid	26.40	20.37
	Mr. Vikram Baid	21.71	16.86
Note 31	EARNINGS IN FOREIGN CURRENCY		
	FOB Value of Exports	NIL	NIL
	Other Income	NIL	NIL



Note	32 EXPENDITURE IN FOREIGN CURRENCY	(Amt. in Rs.)	
		Year ended 31.03.2016	Year ended 31.03.2015
a)	Travelling expenses	-	-
b)	Others	-	-
	TOTAL	-	-

Note 33 The Company is neither required to conduct the Cost Audit nor required to maintain Cost Accounting Records for the current financial year.

Note 34 Inventories, Loans & Advances, Trade Receivables/Payables and other Current/Non-current assets are reviewed annually and in the opinion of the Management do not have a value on realisation in the ordinary course of business, less than the amount at which they are stated in the balance sheet.

Note 35 Previous year's figure have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For A. Natani & Co.
Chartered Accountants
Firm Regn. No. 007347C

For and on behalf of the Board of Directors

Sd/-
CA Ashok Kumar Natani
Partner
Membership No. 074692
Place : Jaipur
Date : 19.05.2016

Sd/-
Bhanwar Lal Baid
DIN:00212003
Chairman

Sd/-
Bharat Baid
DIN:00212506
Managing Director

Sd/-
Vikram Baid
DIN:00217347
Director

Sd/-
Rashmi Agarwal
Company
Secretary

(VINAYAK POLYCON INTERNATIONAL LIMITED)

(CIN: L25209RJ2009PLC030620)

Registered Office: 312, Navjeevan Complex, 29, Station Road, Jaipur-302006

Email: investor@vinayakpolycon.com, Website: www.vinayakpolycon.com

Phone: 0141-2377007, Fax: 0141-2378830

PROXY FORM

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

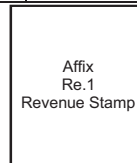
Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:
I/We, being the member(s) ofshares of the above named Company, hereby appoint

Name :..... Email Id:-.....
Address:.....
Signature: or failing him / her;
Name :..... Email Id:-.....
Address:
Signature: or failing him / her;
Name :..... Email Id:-.....
Address:
Signature: or failing him / her;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 7th Annual General Meeting of the Company, to be held on Saturday, the 20th August, 2016 at 4.00 p.m. at "Parmanand Hall", Ashok Marg, C-Scheme, Jaipur-302001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 4 columns: No., Resolutions, For, Against. It lists four resolutions: 1. Ordinary Business (Audited Financial Statements), 2. Appointment of director, 3. Ratification of auditors, and 4. Special business (Approval of Related Party Transactions).

Signed this.....day of.....2016.
Signature of Shareholder
Signature of Proxy holder (s).....



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

VINAYAK POLYCON INTERNATIONAL LIMITED

(CIN: L25209RJ2009PLC030620)

Registered Office: 312, Navjeevan Complex, 29, Station Road, Jaipur-302006

Email: investor@vinayakpolycon.com, Website: www.vinayakpolycon.com

Phone: 0141-2377007, Fax: 0141-2378830

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*	
Client ID*	

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

NAME AND ADDRESS OF THE SHAREHOLDER:

No. of Share(s) held:

I hereby record my presence at the **07th ANNUAL GENERAL MEETING** of the Company held on Saturday, the 20th day of August, 2016 at 4.00 P.M. at: "Parmanand Hall", Ashok Marg, C-Scheme, Jaipur-302001.

Signature of the shareholder or proxy.....

* Applicable for investors holding shares in electronic form.