

VINAYAK POLYCON International Ltd.

10th

ANNUAL REPORT

2018-2019





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Board of Directors

Mr. Bhanwar Lal Baid (DIN: 00212003)
Chairman

CA Bharat Kumar 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 Kumar Baid
Chief Executive Officer and Managing Director

CA Vikram Baid
Chief Financial Officer

Rashmi Agarwal
Company Secretary and Compliance Officer

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

Statutory Auditors

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

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

Bank of Baroda

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:

(Amount In Lakhs)

Particulars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PROFIT & APPROPRIATIONS										
Sale & Other Income	0.00	1388.03	1357.76	1821.13	1942.86	1712.83	1529.11	1774.00	1894.50	2328.85
Profit Before Depreciation & Tax	0.00	116.52	105.58	108.64	102.74	92.90	85.04	126.27	91.22	110.87
Depreciation	0.00	109.80	95.33	100.78	90.50	76.52	66.59	105.71	86.19	90.82
Profit before Tax	0.00	6.72	10.25	7.86	12.24	16.38	18.45	20.56	5.03	20.05
Taxation	0.00	1.55	3.18	2.94	3.46	5.02	5.69	10.33	-6.19	14.63
Profit After Tax	0.00	5.17	7.07	4.92	8.78	11.36	12.76	10.23	11.22	41.11
Dividend	0.00	0.00	0.00	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	0.33	0.36	1.33
ASSETS EMPLOYED										
Fixed Assets Gross	0.00	950.27	998.75	1058.29	1021.56	1022.78	1059.81	1293.23	1324.61	1325.49
Depreciation	0.00	289.02	383.35	484.13	553.17	630.57	697.17	802.88	889.06	979.88
Net	0.00	661.25	615.40	574.16	468.39	392.21	362.64	490.35	435.55	345.61
Capital work in progress	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	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	99.41	102.60	98.84
Other Non Current Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.76	39.42	33.52
Miscellaneous Expenditure	2.11	4.64	3.70	2.78	1.85	0.93	0.00	0.00	0.00	0.00
	6.58	1144.82	722.67	702.85	594.50	542.28	505.44	616.52	577.57	477.97
FINANCED BY										
Equity Shares	5.00	308.12	308.13	308.13	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	89.80	101.03	142.14
Loan Funds	1.58	771.51	342.13	318.90	205.07	146.67	100.68	195.12	154.30	21.14
Deferred Tax Liability	0.00	29.61	29.77	28.26	24.96	20.67	17.06	23.47	14.11	6.56
	6.58	1144.82	722.67	702.85	594.50	542.28	505.44	616.52	577.57	477.97

**(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 TENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF VINAYAK POLYCON INTERNATIONAL LIMITED WILL BE HELD AT "PARMANAND HALL", ASHOK MARG, C-SCHEME, JAIPUR-302001 (RAJASTHAN) ON THURSDAY, 26TH SEPTEMBER, 2019 AT 4:00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Vikram Baid (DIN: 00217347), who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Tambi Ashok & Associates, Chartered Accountants (ICAI Registration No. 5301C) as statutory auditors of the Company and fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) on the recommendation of the Audit Committee, M/s. Tambi Ashok & Associates, Chartered Accountants (ICAI Registration No. 5301C), be and are hereby appointed as Statutory Auditors of the Company for the term of five years commencing from the conclusion of the Tenth Annual General Meeting till the conclusion of the Fifteenth Annual General Meeting to be held in the year 2024 at a remuneration as mentioned in Explanatory Statement and as may be determined by Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors of

the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Date: 14.08.2019
Place: Jaipur

Registered Office: 312,
Navjeevan Complex, 29,
Station Road,
Jaipur-302006 (Rajasthan)
Tel: 0141- 2377007
Fax: 0141-2378830
investor@vinayakpolycon.com
www.vinayakpolycon.com

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

Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR
DIN: 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 IN THE MEETING 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).**

PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013, 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. **The instrument appointing a proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company duly stamped, filled and signed, not later than 48 (Forty Eight) hours before the commencement of the AGM.**
3. **An Explanatory Statement pursuant to Regulation 36(5) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements)**



Regulations, 2015 ('the Listing Regulations') relating to disclosure of the Statutory Auditor proposed to be appointed, is annexed hereto.

4. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mr. Vikram Baid (DIN: 00217347), 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 Listing Regulations, and as per the relevant provisions of the Secretarial Standard on General Meetings, the information about the director seeking reappointment at this AGM is given as Annexure 1 to the Notice of AGM.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 20th September, 2019 to Thursday, 26th September, 2019 (both days inclusive) for the purpose of AGM.

6. Members are requested to:

- a) Notify the change in address if any, with Pin Code numbers and/or bank mandate immediately to the Company and to the Registrar and Share Transfer Agent (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. Corporate members/Institutional Shareholders (that is other than Individuals, HUF, Trust, NRI, etc.) intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a duly certified copy of the Board Resolution/ Power of Attorney/ Authority Letter, etc. together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM.
 8. 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.
 9. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which the Directors are interested maintained under Section

189 of the Companies Act, 2013 will be available for inspection by the members at AGM.

10. The members who have not registered their email addresses so far with the company, are requested to register their e-mail address with MAS Services Limited at info@masserv.com, the Registrars & Share Transfer Agents of the Company and Members holding shares in Demat mode are requested to register their E-Mail ID's with their respective Depository Participants (DPs) in case the same is still not registered, so as to enable the company to send the Annual Report, Notices and other documents through Electronic Mode to their e-mail address. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
11. All the relevant documents referred to in the Notice are available for inspection at the Registered Office of the Company during business hours on working days upto the date of the AGM.
12. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least 7(seven) days before the date of meeting to enable us to keep the information ready at the meeting.
13. **The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated submission of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company or its RTA by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.**
14. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any case of 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.
15. 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 and further requested to dematerialize their physical holdings.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to RTA in case the shares are held in physical form.
17. 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:

**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**

18. **As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or MAS Services Limited for assistance in this regard.**
19. The Annual Report 2018-19, the Notice of 10th AGM and instructions for remote e-voting along with attendance slip and proxy form are being sent by electronic mode to those members whose email addresses are registered with the Company / Depository Participant(s), unless a 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. Members may also note that even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same.

20. Members may also note that the Notice of 10th AGM and the Annual Report 2018-19 will also be available on the website of the Company, <https://www.vinayakpolycon.com/sites/default/files/Annual%20Report%202018-19.pdf> and on the website of e-voting agency, <https://www.evoting.nsdl.com>
21. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations, 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.
22. The remote e-voting facility will commence on Sunday, 22nd September, 2019 (9:00 A.M.) and ends on Wednesday, 25th September, 2019 (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 i.e. Thursday, 19th September, 2019, 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.
23. The voting rights of the members shall be proportionate to equity shares held by them in the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 19th September, 2019. E-voting rights cannot be exercised by a proxy, though corporate and institutional shareholders shall be entitled to vote through their authorized representative with proof of their authorization.
24. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM through ballot paper. 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.
25. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary, Jaipur has been appointed as a scrutinizer to scrutinize the remote e-voting and poll process to be carried out at the AGM in a fair and transparent manner.
26. Any person who has acquired shares and becomes member of the company after dispatch of the notice



of AGM and holding shares as on cut-off date i.e. Thursday, 19th September, 2019, 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 given below.

THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING FOR THE 10TH 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.nsd.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 "**Vinayak Polycron 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.

- I. 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.vmanda@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. **In case of Members receiving Physical copy of Notice of 10th 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.

NOTE:

- 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.nsd.com or call on toll free no.: 1800-222-990. Members may also write to Rashmi Agarwal, Company Secretary & Compliance Officer at the investor@vinayakpolycon.com or at 312, Navjeevan Complex, 29, Station Road, Jaipur-302006 or call at 91-141-2377007.
 - 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 make 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 forth with.
27. The voting results including the Remote e-voting and poll at 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, on the website of BSE Ltd. and on the website of evoting agency immediately after the result is declared by the Chairman.

28. The route map showing the direction to reach the venue of AGM is attached at the end of the Report.

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF LISTING REGULATIONS

The disclosure relating to appointment of Statutory Auditors of the Company pursuant to Regulation 36(5) of the Listing Regulations:

Name of the Statutory Auditors proposed to be appointed	M/s. Tambi Ashok & Associates
Proposed Fees Payable	Statutory Audit, Tax Audit and Limited Review Report: Rs. 25,000/- per annum and as may be determined by Board of Directors from time to time. In addition to the above, reimbursement of applicable taxes and out of pocket and traveling and other expenses incurred in connection with the work of audit to be carried out by them.
Terms of Appointment	For a period of 5 years commencing from the conclusion of this 10 th Annual General Meeting until the conclusion of the 15 th Annual General Meeting
Material change in the fee payable to new auditor from that paid to the outgoing auditor along with the rationale for such change	N.A.
Basis of recommendation for appointment	Audit Committee
Credentials of the Statutory Auditors proposed to be appointed	Type of Firm: Partnership Name of Auditor: Mr. Ashok Tambi Firm Registration No.:5301C Address: B-19, Padam Niwas, New Colony, M. I. Road, Jaipur-302001

Annexure 1

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

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

Name of the Director	Vikram Baid
Age	43 Years
Date of First Appointment on Board	31.12.2009
Designation	Executive Director & CFO
Brief Resume and Expertise in specific Functional areas	Mr. Vikram Baid is promoter & Director of the Company since inception. He is a Bachelor of Commerce (Hons.), Master of Business Finance (MBF) and a member of pioneer institution i.e. Institute of Chartered Accountants of India(ICA). He has 20 years' experience in various plastic moulding techniques and mould making. He is also an expert in Financial and Tax related matters.
Qualification(s)	B. Com (Hons.), MBF and ACA
Experience	20 Years
Terms and conditions of reappointment	Executive Director liable to retire by rotation
Remuneration last drawn (including Sitting Fees, if any)	Rs. 28,83,600 (For Remuneration details, Please refer Annexure -2, to the Board's Report)
Remuneration proposed to be paid	As approved by Members in 9 th AGM Held on 29 th September, 2018
Name of the Companies in which directorship held as on 31 st March, 2019	Jai Sinter Polycon Private limited
Member/Chairman of the Committee of Board of other companies	None
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	He is son of Mr. Bharat Kumar Baid, Managing Director.
No. of Equity Shares held in the Company as on March 31, 2019	*76,111
No. of Board Meetings attended during the year	5

*Shareholding as per Shareholding Pattern as on 31st March, 2019 received from MAS Services Limited, Registrar and Share Transfer Agent.

As per disclosures received from Mr. Vikram Baid, he purchased 76,337 shares on 26th February, 2019, which as on 31st March, 2019 were lying with clearing member i.e. HEM Securities Limited.

Date: 14.08.2019

Place: Jaipur

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

Tel: 0141-2377007

Fax: 0141-2378830

investor@vinayakpolycon.com

www.vinayakpolycon.com

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

**Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR
DIN: 00217347**

**BOARD'S REPORT**

To,
The Members,
Vinayak Polycron International Limited

Your Directors have pleasure to present their Tenth (10th) Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2019 and Auditor's Report thereon.

1. FINANCIAL SUMMARY / HIGHLIGHTS:

The financial performance of the company for the year ended 31st March, 2019 is summarized below:

(Amount in Lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Sales		
Domestic	2327.31	1892.98
Export	0.00	0.00
Other Revenue	1.54	1.52
Total Revenue	2328.85	1894.50
Total Expenses	2308.80	1889.47
Profit Before Interest, Depreciation & Tax	148.15	128.83
Less: Financial Cost	37.28	37.61
Profit Before depreciation & Tax	110.87	91.22
Less: Depreciation	90.82	86.19
Profit/(loss) Before exceptional item	20.05	5.03
Exceptional item	35.69	0.00
Profit after Exceptional item but Before Tax	55.74	5.03
Less: Tax Liability (including deferred tax)	14.63	-6.19
Profit After Tax	41.11	11.22

2. PERFORMANCE REVIEW

Financial information is presented in accordance with the Indian Accounting Standards (Ind-AS). Our reporting currency is Indian Rupees (INR). The Company continued its focus on growing its business faster than market while protecting product quality & profitability.

Briefly, during the year under report, the Company's total income increased to Rs. 2328.85 Lakhs from Rs. 1894.50 Lakhs in the previous year, registering an increase of 22.93%. Earnings before Interest, Depreciation and Tax increased to Rs. 148.15 Lakhs as from Rs. 128.83 Lakhs in the preceding year which translates into an increase of 15%. Profit after Tax (PAT) is Rs. 41.11 Lakhs as against Rs. 11.22 Lakhs in previous year, this increase is mainly due to exceptional item which

arose due to liability created by demerger approved by Hon'ble Rajasthan High Court no longer required to be paid.

3. 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, 2019.

4. RESERVES

The Board has not proposed transfer of any amount to General Reserve. Profits of the Company during the year i.e. Rs. 41.11 Lakhs is transferred to the Profit & Loss Account for the Financial Year 2018-19, in compliance with the relevant provisions of the Companies Act, 2013.

**5. CORPORATE SOCIAL RESPONSIBILITY**

Company's net worth is below than Rs. 500 Crore, Turnover is less than Rs.1000 Crore and Net profit (Before Tax) is less than Rs. 5 Crore, hence provisions of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable on the Company.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR 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 to which the financial statements relate and the date of the report.

7. 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.

8. FIXED DEPOSITS

During the Financial Year 2018-19, your Company has not invited, accepted or renewed any deposits from the public within the meaning of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

9. AUDITORS AND AUDITORS' REPORT**A. Statutory Auditors**

M/s A. Natani & Co., Chartered Accountants (FRN: 007347C), Jaipur were reappointed as Statutory Auditors of the Company in 5th Annual General Meeting (AGM) held on 6th September, 2014 to hold office till the conclusion of 10th AGM of the Company subject to ratification of appointment by the members at every consequent AGM. However, in the Companies [Amendment] Act, 2017, aforesaid requirement of ratification is omitted with effect from 7th May, 2018.

The Statutory Auditors of the Company, M/s A. Natani & Co., Chartered Accountants bearing ICAI Registration No. 007347C hold office till the conclusion of the ensuing AGM of the Company.

The Board of Directors in their meeting held on 14th August, 2019 on the recommendation of the Audit Committee has proposed to appoint, M/s Tambi Ashok & Associates, Chartered Accountants (FRN: 5301C) as Statutory Auditors in place of the retiring auditors, who shall hold the office from the conclusion of the 10th AGM for a term of five consecutive years, i.e., until the conclusion of the 15th AGM. The proposed Auditors have confirmed their willingness and eligibility in terms of provisions of section 141 and other relevant provisions of the Companies Act, 2013, the Chartered Accountants Act, 1949 and the Rules and Regulations made there under.

M/s. A. Natani & Co., Chartered Accountants have in the past handled audit of companies with large scale operations and have maintained high level of governance, rigor and quality in audit and audit process. The Board places on record its appreciation for the services rendered by M/s A. Natani & Co., Chartered Accountants, as Statutory Auditors of the Company.

There is no reservation, qualification or adverse remark contained in the Statutory Auditors' Report attached to Financial Statements for the financial year ended 31st March, 2019. Information referred in Auditors' Report are self-explanatory and don't call for any further comments.

REPORTING OF FRAUDS BY AUDITORS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

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, Company Secretaries, Jaipur (FRN: P1984RJ039200) as "Secretarial Auditor" to conduct Secretarial Audit for the financial year 2018-19.

The Secretarial Audit Report for the financial year 2018-19 in Form MR-3 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 do not call for any further comments.



The Company has received consent and certificate of eligibility from M/s V. M. & Associates, Company Secretaries, Jaipur for the financial year 2019-20 to act as Secretarial Auditors. The Board in their meeting held on August 14, 2019 has re-appointed M/s V. M. & Associates, Company Secretaries, Jaipur (FRN: P1984RJ039200) as Secretarial Auditor of the Company to carry out secretarial audit for the Financial Year 2019-20.

C. Internal Auditor

CA Vikram Baid (Membership No.: 077821), Jaipur was appointed as Internal Auditor of the Company for conducting Internal Audit for financial year 2018-19. The Internal Audit Reports were received quarterly by the Company and the same were reviewed by the Audit Committee and Board of Directors for each quarter.

Further, Board of Directors has approved the re-appointment of CA Vikram Baid (Membership No.: 077821), Jaipur as Internal Auditor at their meeting held on 14th August, 2019 for conducting the Internal Audit of the Company for financial year 2019-20.

10. CAPITAL STRUCTURE

During the Financial Year 2018-19 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/- (Rupees Three crore eight lakhs twelve thousand nine hundred and fifty).

11. EXTRACT OF THE ANNUAL RETURN

Extract of the Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2019, 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**.

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

The information related to Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is included in the Report as **Annexure 3**.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors and Key Managerial Personnel

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. Your Board has been constituted with requisite diversity, wisdom and experience commensurate to the scale of operations of your Company.

Mr. Bhanwar Lal Baid (DIN: 00212003), Director of the Company who retired and being eligible, was reappointed at the 9th AGM of the Company. Mr. Bharat Kumar Baid (DIN: 00212506), Managing Director and Mr. Vikram Baid (DIN: 00217347), Executive Director were reappointed for a term of 3 years w.e.f 1st April, 2019 to 31st March, 2022 at the 9th AGM of the Company. Mrs. Anima Bordia (DIN: 06941148), Mr. Niraj Nahata (DIN: 06830067) and Mr. Pawan Nahata (DIN: 06945991), Independent Directors were reappointed for their second term of 5 years w.e.f 1st April, 2019 to 31st March, 2024 at the 9th AGM of the Company. There was no change in the composition of Board during the year under review.

Board is deeply saddened to inform you that our visionary Chairman Shri B.L. Baid left us on his final journey on 16th April 2019. He was the Promoter of the Company since inception and the guiding light of the Company. His contribution to the overall development and nurturing of the company to the level it has arisen was unparalleled. He was a perfect amalgamation of compassion, discipline, hard work and an epitome of simplicity.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Vikram Baid (DIN: 00217347), Executive Director of the Company retire by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the required information about the Director proposed to be reappointed has been annexed to the Notice convening the 10th Annual General Meeting.

B. Declaration by an Independent Directors

The Company has received the declarations from all Independent Directors of the Company viz., Mrs. Anima Bordia, Mr. Niraj Nahata and Mr. Pawan Nahata as required under Section 149(7) of the



Companies Act, 2013 stating that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. 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

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation cycle was completed by the Company internally which includes the evaluation of the Board as a whole, committees, independent directors and other individual directors. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The guidance note issue by Securities and Exchange Board of India on Board Evaluation was duly considered while conducting the evaluation exercise. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement.

The process of board evaluation is carried out by Board, Nomination and Remuneration Committee and by Independent Directors in the following manner:

- Board: The Board evaluates the performance of Board as whole, Committees of the Board and Individual Directors and chairperson of the Company.
- Nomination and Remuneration Committee: The Nomination and Remuneration Committee evaluates the performance of all the individual Directors
- Independent Directors: The Independent directors in their meeting evaluates the performance of all Non-Independent Directors and Board of Directors as a Whole

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different

backgrounds bring about different complementarities that help Board discussions to be rich and value adding. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee Meetings. The evaluation exercise also suggested that the Board succession planning exercise has been embedded well in the Board processes.

14. 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 available on the Company's website at <http://www.vinayakpolycon.com/sites/default/files/policies/Policy-of-Whistle-Blower-Vigil-Mechanism.pdf>

15. 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.

16. COMMITTEES OF THE BOARD

Currently, the Board has three committees: Audit committee, Nomination and Remuneration committee and Stakeholders Relationship committee. All committees 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	<p>Mrs. Anima Bordia, Chairperson</p> <p>Mr. Niraj Nahata</p> <p>Mr. Pawan Nahata</p>	<p>As per Section 177 of the Companies Act, 2013, following are the duties of Audit committee:</p> <p>To oversee the financial reporting process and disclosure of financial information.</p> <p>To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board.</p> <p>To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations.</p> <p>To recommend the appointment of the internal and statutory auditors and fixing their remuneration.</p> <p>To hold discussions with the statutory and internal auditors.</p> <p>Audit committee performed all of its duties during the year.</p> <p>All recommendations made by the audit committee during the year were accepted by the Board.</p> <p>In accordance with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has formulated several policies. The policies, including the Whistleblower Policy, are available on our website, http://www.vinayakpolycon.com/policies</p>
Nomination and Remuneration Committee	<p>Mrs. Anima Bordia, Chairperson</p> <p>Mr. Niraj Nahata</p> <p>Mr. Pawan Nahata</p>	<p>The committee oversees and administers executive compensation, operating under a written policy adopted by our Board of Directors. As per Section 178 of Companies Act, 2013, Following are the duties of Nomination and Remuneration Committee:</p> <p>Carry out assignments from time to time, as prescribed under Schedule V to the Companies Act, 2013.</p> <p>To recommend to the Board, compensation terms of the Executive Directors.</p> <p>To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors.</p> <p>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.</p> <p>The Nomination and Remuneration Committee has framed the Nomination and Remuneration Policy which is available on the website of the Company.</p>
Stakeholders Relationship Committee	<p>Mrs. Anima Bordia, Chairperson</p> <p>Mr. Niraj Nahata</p> <p>Mr. Pawan Nahata</p>	<p>The committee reviews and ensures redressal of investor grievances.</p> <p>The committee noted that all the grievances of the investors have been resolved.</p>

17. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met five times during the financial year 2018-19 on 30th May, 2018, 14th August, 2018, 3rd September, 2018, 14th November, 2018 and 14th February, 2019. The intervening gap between the meetings, frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013, Listing Regulations and Secretarial Standards. The

Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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:

Name & Designation of Director	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Director ships of Other Companies	No. of Committee Memberships	No. of Committee Chairmanships
Mr. Bhanwar Lal Baid, Chairman	Non-Executive Director & Promoter	5	1	No	-	-	-
Mr. Bharat Kumar Baid, Managing Director	Executive Director & Promoter	5	5	Yes	-	-	-
Mr. Vikram Baid, Whole-time Director	Executive Director & Promoter	5	5	Yes	1	-	-
Mr. Pawan Nahata, Director	Non- Executive Independent Director	5	3	No	-	3	-
Mr. Niraj Nahata, Director	Non- Executive Independent Director	5	3	No	-	3	-
Mrs. Anima Bordia, Director	Non- Executive Independent Director	5	5	Yes	-	3	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

18. 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. 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 policy on related party transactions is available on Company's website i.e. <http://www.vinayakpolycon.com/sites/default/files/policies/Policy%20on%20Related%20Party%20Transactions.pdf>.

19. PARTICULAR OF EMPLOYEES

The information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto, is annexed to this Board's Report and marked as **Annexure 5**.

A statement containing the information of top ten employees in terms of remuneration drawn as required under Section 197(12) of the Companies



Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subsequent amendments thereto, is annexed to this Board's Report and marked as **Annexure 5**.

20. 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 31st March, 2019, 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.

21. INDEPENDENT DIRECTORS' MEETING

As per the requirement of Schedule IV to the Companies Act, 2013, the Independent Directors of the Company met during the year, inter alia to:

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.

They expressed satisfaction over the performance of Non-Independent Directors, Chairperson and Board.

22. 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's assets. The Company is following all the applicable Indian Accounting Standards as issued by The Institute of Chartered Accountants of India 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 Independent Directors, inter alia, reviews the adequacy and effectiveness of internal Control and monitors implementation of Internal Audit observations.

23. CODE OF CONDUCT

In Compliance with the Listing Regulations and the Companies Act, 2013, the Company has framed and adopted Code of Conduct for all Board members and senior management personnel of the Company, which is available on website of the `company`, <https://www.vinayakpolycon.com/sites/default/files/Code-of-Conduct-for-Directors-and-senior-management-personnel.pdf>.

24. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy for Prevention of Sexual Harassment at Workplace as per requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. The Company has ensured organisation wide dissemination of the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act by conducting sessions throughout the Company.

Internal Complaint Committee has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year 2018-19, no complaint was received by the Company. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

25. 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.

There are various elements of risk which, in the opinion of the Board, may threaten the existence of the company some of which are as follows:

- Economic Environment and Market conditions
- Political Environment
- Competition
- Fluctuations in Foreign Exchange
- Contractual Compliance
- Operational Efficiency

All the Senior Executives under the guidance of Board of Directors has the responsibility for over viewing management's processes and results in identifying, assessing and monitoring risk associated with Organisation's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk. In doing so, the Senior Executive considers and assesses the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of any external agency in this regards and action taken or proposed resulting from those reports.

26. LISTING FEES

At present, the equity shares of the Company are listed on BSE Limited (BSE). The annual listing fee for Financial Year 2019-20 to BSE has been paid.

27. 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 Ltd., New 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.

28. PREVENTION OF INSIDER TRADING

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted 'Code of Conduct to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons' and 'Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information'.

During the year under review, the Company has amended "Code of Conduct to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons" and "Code of Practices & Procedures for Fair

Disclosure of Unpublished Price Sensitive Information" in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The key changes include, inter alia, maintenance of digital database, internal controls, Policy on legitimate purposes, policy on leakage of Unpublished Price sensitive Information (UPSI), etc.

The Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company, https://www.vinayakpolycon.com/sites/default/files/2019-02-14%20Code_Fair%20Disclosure.pdf

29. CORPORATE GOVERNANCE REPORT

As per Regulation 15(2) of the Listing Regulation, the compliance with the Corporate Governance provisions shall not apply in respect of the following class of companies:

- a. Listed Entity 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;
- b. Listed Entity which has listed its specified securities on the SME Exchange.

Since, the Company falls in the ambit of aforesaid exemption (a); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report for the Financial Year 2018-19.

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.

30. MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry Structure & Development

During the period under review, there is significant increase in the use of plastic including PET Containers throughout the country. Clear Visibility of packed product in primary and secondary packaging has gained importance. The buyer wants to clearly see the inner contents before buying and wants the container to be unbreakable, child safe and durable. This led to great increase in manufacturing of plastic wares in the country especially PET.

Your company is on its way to capitalize on this trend, through improved production of plastic products and through alliances with the suppliers who have specific expertise in the related field. At the same time, there was a significant shortage of Power in Tamil Nadu, where the factory is located, which led to higher dependence on Self-generated Electricity.

B. Opportunity

The consumption of plastic is increasing at the rapid speed as it is easy and convenient to use and can easily be recycled. It paves a path to the companies to make new development for the better positioning in the market. The ability to see the contents off the shelves before buying in a transparent container is always preferred over others.

Vinayak Polycron International Limited continuously striving to increase its production and aims to provide better quality products to its consumers along with making strong position in domestic market.

C. Threats

- Temporary decline in the economic activity
- Increased competition in the plastic industry due to entry of new players
- Introduction of new technologies
- Introduction of new taxes
- Introduction of new Tax-Free Zones in India
- Any unfavourable change in Government Policies may affect the profitability of the company.
- Threat of substitutes
- Shortage of Electricity in Tamil Nadu

D. Segment Wise Performance

The Company is mainly engaged in the business of manufacturing of Plastic Containers & Closures, so the Management considers that there is no need to elaborate segment wise performance.

E. Outlook

The Outlook of your Company is promising, in light of its refreshed mission and vision and clear strategic framework. Vinayak Polycron International Limited leadership team and employees at all levels are in line with the strategy and working towards making it a success. The Company's product development team has developed an exciting range of plastic items which will fuel our growth in future.

F. Risks and Concerns

Competition is increasing day-by-day in all fields of business. Similarly, there is competition in plastic industries too. The company is facing various risks and obstacles which includes inflation risk, credit risk, interest rate risk, non-availability of raw-material, high prices etc.

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

G. Adequacy of Internal Control System

The Company has a comprehensive system of internal controls to safeguard the company's assets against loss from unauthorized use and ensure proper authorization of financial transactions.

The company has an exhaustive budgetary control system to monitor all expenditures against approved budget on an ongoing basis.

The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirement.

The management duly considers and take appropriate actions on the recommendation made by Audit Committee of the Board of Directors.

H. Discussions on Financial Performance with respect to Operational performance

Financial performance as well as Operational performance of the Company has been good despite of an adverse economic environment and your company is doing well on fulfilling its objectives of growth, profitability and maximization of shareholders wealth. During the financial year 2018-19, your Company has achieved total revenue on amounting to Rs.2328.85 Lakhs as compared to Rs. 1894.50 Lakhs in previous financial year and Net Profit after tax (PAT) has increased from Rs. 11.22 Lakhs to Rs. 41.11 lakhs recording a remarkable increase of 266.40% in financial year 2018-19.

During the year, your company expanded its supplies of PET Bottles to local manufacturers. The quantity of PET & PP (Plastic Raw Material) consumed increased from 1441 tons to 1568 tons, registering an increase of 8.81% from previous year.

Particulars of Ratio	F.Y. 2018-19	F.Y. 2017-18	Change in %	Reason (if change is more than 25%)
Debtors Turnover Ratio	4.01	3.42	17.25	N.A.
Inventory Turnover Ratio	29.80	24.93	19.53	N.A.
Interest Coverage Ratio	1.54	1.13	36.28	Company had higher profits than earlier to cover the interest cost, which is better for the Company.
Current Ratio	1.17	1.18	(0.85)	N.A.
Debt Equity Ratio	1.03	1.25	(17.6)	N.A.
Operating Profit Margin %	0.86	0.28	207.14	Higher operating profit indicates better efficiency for the Company.
Net Profit Margin %	1.77	0.62	185.48	Increase is due to Exceptional item as mentioned in the Notes to Financial Statements of the Company.

Details of any change in Return on Net Worth as compared to the immediately previous financial year:

Particulars	F.Y. 2018 -19	F.Y. 2017 -18
Share Capital	3,08,12,950	3,08,12,950
Reserve & Surplus	1,42,14,175	1,01,02,892
Net Worth	4,50,27,125	4,09,15,842
Profit After Tax	41,11,283	11,22,536
Return on Net Worth	9.13	2.74

I. 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.

As on 31st March, 2019, the Company employed a total of 49 employees of which 13 were Officers and 36 belong to non-executive cadre.

J. 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.

K. Cautionary Statement

Statement in the Management Discussion and Analysis and Board's Report describing the Companies Strengths, strategies, projection and estimate are forward looking and progressive within the meaning of all applicable laws and

regulation. Actual results may vary depending upon the various aspects of the economic such as Government policies, Rules and Regulations, economic conditions and other incidental factors. Important factors that could make a difference to our Company's operations include raw material availability and prices, cyclical demand and pricing in our principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. Management will not be in any way responsible for the actions taken based on such statements.

31. DISCLOSURE ON SECRETARIAL STANDARDS

The company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

32. 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 31st March, 2019, 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

The Board of Directors places on record, its deep sense of appreciation to employees at all levels on their hard work, dedication and commitment. The Board also thank all the shareholders, investors, vendors, service providers, bankers and all other stakeholders for their continued and consistent support to the Company during the year.

Your Directors would like to make a special mention of the support extended by the various Departments of Government of India, the State Governments, the Tax Authorities, the Ministry of Commerce, Reserve Bank of India, Ministry of Corporate Affairs, Ministry of Finance, Securities and Exchange Board of India, Stock Exchanges and other governmental/ semi-governmental bodies and look forward to their continued support in all future endeavors.

Date: 14.08.2019

Place: Jaipur

**Registered Office: 312, Navjeevan Complex, 29,
Station Road, Jaipur-302006 (Rajasthan)**

Tel: 0141-2377007

Fax: 0141-2378830

investor@vinayakpolycon.com

www.vinayakpolycon.com

**For and on behalf of the Board of Directors
For Vinayak Polycon International Limited**

Sd/-

**BHARAT KUMAR BAID
MANAGING DIRECTOR
DIN: 00212506**

Sd/-

**VIKRAM BAID
WHOLE TIME DIRECTOR
& CHIEF FINANCIAL OFFICER
DIN: 00217347**



**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019**

[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 Polycon 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 Polycon International Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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, 2019 ('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, 2019 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (repealed w.e.f. 9th December, 2018); **(Not applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 9th December, 2018; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (g) 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;

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (repealed w.e.f. 11th September, 2018); **(Not applicable to the Company during the Audit Period)**
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018; **(Not applicable to the Company during the Audit Period)**
- (k) 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 Agreement entered into by the Company with BSE Limited.

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

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, independent director(s) were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. 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 events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Jaipur

Date: August 14, 2019

**For V.M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)**

**CS Vikas Mehta
Partner
FCS 9985
C P No. : 12789**

Note : This report is to be read with our letter of even date which is annexed a **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: August 14, 2019

For V.M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)

CS Vikas Mehta
Partner
FCS 9985
CP No. : 12789



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 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 of the Company Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
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	22203	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	39.10	12,04,962	-	12,04,962	39.11	
b) Central Govt.	-	-	-	-	-	-	-	-	
c) State Govt.(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	3,54,950	-	3,54,950	11.52	3,54,950	-	3,54,950	11.52	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any Other.....	-	-	-	-	-	-	-	-	
Sub-total (A) (1):	15,59,877	-	15,59,877	50.62	15,59,912	-	15,59,912	50.63	
(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	
Total shareholding of Promoter (A) =(A) (1) + (A) (2)	15,59,877	-	15,59,877	50.62	15,59,912	-	15,59,912	50.63	
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	9,95,374	74,152	10,69,526	34.71	8,57,387	74,152	9,31,539	30.23	-4.48
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	1,77,690	1,45,514	3,23,204	10.49	1,89,353	1,41,360	3,30,713	10.73	0.24
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,27,438	-	1,27,438	4.14	1,27,438	-	1,27,438	4.14	-
c) Others (specify)									
i) Clearing Members	10	-	10	0.0003	1,30,453	-	1,30,453	4.23	4.23
ii) Non-Resident Indians	-	1,240	1,240	0.04	-	1,240	1,240	0.04	-
iii) Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	13,00,512	2,20,906	15,21,418	49.38	13,04,631	2,16,752	15,21,383	49.37	-0.01
Total Public Shareholding (B)=(B) (1)+ (B)(2)	13,00,512	2,20,906	15,21,418	49.38	13,04,631	2,16,752	15,21,383	49.37	-0.01
C. Shares held by Custodian For GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	28,60,389	2,20,906	30,81,295	100.00	28,64,543	2,16,752	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	1.41	-	43,369	1.41	-	-
2.	Varun Baid	80,600	2.62	-	80,600	2.62	-	-
3.	Bhanwar Lal Baid	82,338	2.67	-	82,338	2.67	-	-
4.	Vikram Baid	76,076	2.46	-	*76,111	2.47	-	0.01
5.	Vijay Baid	73,638	2.39	-	73,638	2.39	-	-
6.	Samta Baid	8,007	0.26	-	8,007	0.26	-	-
7.	Sadhna Baid	94,681	3.07	-	94,681	3.07	-	-
8.	Pushpalata Baid	1,04,844	3.40	-	1,04,844	3.40	-	-
9.	Vinod Baid	53,756	1.74	-	53,756	1.74	-	-
10.	Rajiv Baid	89,420	2.90	-	2,25,802	7.33	-	4.43
11.	Bharat Kumar Baid	95,048	3.08	-	*95,048	4.84	-	-
12.	Mahendra Nahata	6,200	0.20	-	6,200	0.20	-	-
13.	Rajiv Baid HUF	76,260	2.47	-	76,260	2.47	-	-
14.	Lal Chand Baid HUF	17,174	0.56	-	17,174	0.56	-	-
15.	Bharat Kumar Baid HUF	1,67,134	5.42	-	1,67,134	5.42	-	-
16.	Jai Sinter Polycron Private Limited	3,54,950	11.52	-	3,54,950	11.52	-	-
17.	Lal Chand Baid	1,36,382	4.43	-	-	-	-	-4.43
	Total	15,59,877	50.62	-	15,59,912	50.63	-	0.01

*Shareholding as per Shareholding Pattern as on 31st March, 2019 received from MAS Services Limited, Registrar and Share Transfer Agent. As per disclosures received from Promoters, Mr. Vikram Baid purchased 76,337 shares on 26th February, 2019 and Mr. Bharat Kumar Baid purchased 54,100 on 27th February, 2019. Their total shareholding is 1,52,448 shares and 1,49,148 respectively. As on 31st March, 2019, these purchased shares were lying with clearing member i.e. HEM Securities Limited.



(iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	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.	Lal Chand Baid				
	At the beginning of the year	1,36,382	4.43	1,36,382	4.43
	Less: Transferred to Mr. Rajiv Baid on 19 th March, 2019 due to demise of Mr. Lal Chand Baid (Transmission)	-	-	1,36,382	4.43
	At the end of the year	-	-	-	-
2	Rajiv Baid				
	At the beginning of the year	89,420	2.90	89,420	2.90
	Add: Acquired during the year due to transmission on 19 th March, 2019	1,36,382	4.43		
	At the end of the year	2,25,802	7.33	2,25,802	7.33
3	Vikram Baid				
	At the beginning of the year	76,076	2.47	76,076	2.47
	Add: Purchased on 30th July, 2018	35	0.001		
	At the end of the year	76,111	2.47	76,111	2.47

(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	10.49	3,23,169	10.49
	There is no change during the financial year 2018-19.				
	At the end of the year	3,23,169	10.49	3,23,169	10.49
2	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 2018-19.				
	At the end of the year	1,82,714	5.93	1,82,714	5.93
3	MARATHA PETROCHEMICAL PRIVATE LIMITED				
	At the beginning of the year	1,80,854	5.87	1,80,854	5.87
	There is no change during the financial year 2018-19.				
	At the end of the year	1,80,854	5.87	1,80,854	5.87

4	BURLINGTON FINANCE LIMITED				
	At the beginning of the year	-	-	-	-
	Add: Purchase on 5 th October, 2018	1,45,000	4.71	-	-
	Add: Purchase on 12 th October, 2018	1,35,164	4.39	-	-
	Less: Sale on 22 nd February, 2019	(3,000)	(0.10)	-	-
	Less: Sale on 1 st March, 2019	(1,29,000)	(4.19)	-	-
	At the end of the year	1,48,164	4.81	1,48,164	4.81
5	HEM SECURITIES LIMITED				
	At the beginning of the year	-	-	-	-
	Add: Purchase on 3 rd August, 2018	35	0.001	-	-
	Add: Purchase on 24 th August, 2018	20	0.0006	-	-
	Less: Sale on 31 st August, 2018	(10)	(0.0003)	-	-
	Less: Sale on 21 st September, 2018	(35)	(0.001)	-	-
	Add: Purchase on 22 nd February, 2019	990	0.03	-	-
	Add: Purchase on 1 st March, 2019	1,29,437	4.20	-	-
	At the end of the year	1,30,437	23	1,30,437	4.23
6	RIDAM POLYMERS PRIVATE LIMITED				
	At the beginning of the year	86,422	2.80	86,422	2.80
	Add: Purchase on 23 rd August, 2018	20	0.0006	-	-
	Less: Sale as on 28 th August, 2018	(10)	(0.0003)	-	-
	At the end of the year	86,432	21	86,432	2.81
7	RAJ KUMAR SETHIA				
	At the beginning of the year	85,137	2.76	85,137	2.76
	There is no change during the financial year 2018-19.				
	At the end of the year	85,137	2.76	85,137	2.76
8	PRITTY DEVI SARAWAGI				
	At the beginning of the year	25,952	0.84	25,952	0.84
	There is no change during the financial year 2018-19.				
	At the end of the year	25,952	0.84	25,952	0.84
9	SANJAY HARIKISHAN				
	At the beginning of the year	11,152	0.36	11,152	0.36
	There is no change during the financial year 2018-19.				
	At the end of the year	11,152	0.36	11,152	0.36
10	Rakesh Mittal				
	At the beginning of the year	6,138	0.20	6,138	0.20
	There is no change during the financial year 2018-19.				
	At the end of the year	6,138	0.20	6,138	0.20



(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	2.67	82,338	2.67
	There is no change during the financial year 2018-19.				
	At the end of the year	-	-	82,338	2.67
2	Bharat Kumar Baid, Managing Director & CEO				
	At the beginning of the year	95,048	3.08	95,048	3.08
	There is no change during the financial year 2018-19.				
	At the end of the year	-	-	1,49,148	4.84
3	Vikram Baid, Wholetime Director & CFO				
	At the beginning of the year	76,076	2.47	76,076	2.47
	Add: Purchased as on 30th July, 2018	35	0.001		
	At the end of the year	-	-	76,111	2.47

Note: 1. Mr. Bhanwar Lal Baid ceased to be Director in the Company w.e.f. 16th April, 2019, due to demise.
2. The following director and KMP did not held any shares during the financial year 2018-19:

- | | |
|----------------------|-----------------------|
| 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:

(Amount in Rupees)

Particulars	Secured Loans Excluding Deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3,72,22,692	40,00,000	-	4,12,22,692
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,72,22,692	40,00,000	-	4,12,22,692
Change in Indebtedness during the financial year				
Addition	90,78,850	-	-	90,78,850
Reduction	-	(40,00,000)	-	40,00,000
Net Change	90,78,850	(40,00,000)	-	50,78,850
Indebtedness at the end of the financial year				
(i) Principal Amount	4,63,01,542	-	-	4,63,01,542
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4,63,01,542	-	-	4,63,01,542


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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Bharat Kumar Baid, Managing Director	Vikram Baid, Wholetime Director	
1.	Gross Salary: (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,60,000	23,40,000	48,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,34,700	28,800	4,63,500
	(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)	5,41,200	5,14,800	10,56,000
	Total (A)	34,35,900	28,83,600	63,19,500
	Ceiling as per the Act (Schedule V, Part-II, Section-II)	84,00,000 (being applicable limit of remuneration payable as per Section II of Part II of Schedule V of Companies Act, 2013)		

B. Remuneration to other Directors:

1. Independent Directors					
Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mrs. Anima Bordia	Mr. Niraj Nahata	Mr. Pawan Nahata	
1.	· Fee for attending board/ committee meetings	-	-	-	-
2.	· Commission	-	-	-	-
3.	· Others, please specify	-	-	-	-
	Total (1)	-	-	-	-

2. Other Non - Executive Directors				
Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. Bhanwar Lal Baid		
1.	· Fee for attending board / committee meetings	-		-
2.	· Commission	-		-
3.	· Others, please specify	-		-
	Total (2)	-		-
Total (B) = (B)(1)+(B)(2)				-
Total Managerial Remuneration				
	Overall Ceiling as per the Act (Schedule V, Part-II, Section-II)	-		



C. Remuneration to Key Managerial Personnel other than Manager/MD/WTD: (Amount in Rupees)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Ms. Rashmi Agarwal, Company Secretary	Mr. Vikram Baid, Chief Financial Officer	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,48,000	-	3,48,000
	(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 (Bonus)	32,400	-	32,400
	Total	3,80,400		3,80,400

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

Date: 14.08.2019

Place: Jaipur

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

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Fax: 0141-2378830

investor@vinayakpolycon.com

www.vinayakpolycon.com

For and on behalf of the Board of Directors
For Vinayak Polycon International Limited

Sd/-
BHARAT KUMAR BAID
MANAGING DIRECTOR
DIN: 00212506

Sd/-
VIKRAM BAID
WHOLE TIME DIRECTOR
& CHIEF FINANCIAL OFFICER
DIN: 00217347

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

Information as per Rule 8 (3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy

Energy conservation measures taken during 2018-19:

1. Steps taken or impact on conversation of energy:

The Company is continuously engaged in the process of energy conservation & strives to make the plant energy efficient. Energy conservation dictates how efficiently a company can conduct its operations and reduce the cost of production thereby increasing the profitability benefitting the Company as well as its customer. The company is also considering for equipping the manufacturing facility with Solar Power Panels. Solar energy is one of the most versatile renewable energy sources. It is considered to have the greatest potential of acting as a substitute for the traditional thermal or coal-fired energy. Nevertheless, the preference of solar energy over the conventional energy sources is not only a function of the drive towards green energy & sustainability but also gets influenced by solar energy cost.

VPIL recognize the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices and is committed to become an environment friendly organisation. The dedicated team of professional is focusing on energy conservation across all manufacturing sites. Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

2. Steps taken by the Company for utilizing alternate sources of energy

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.

3. Capital investment on Energy Conservation Equipments

The Company has not made any Capital investment on Energy Conservation Equipment.

B. Technology Absorption**(i) Efforts made towards technology absorption**

The Company realizes that in order to stay competitive and avoid obsolescence, it will have to invest in technology across multiple product line and have to introduce the new products in line with the demand of the customers. In order to maintain its position, your Company has continuously and successfully developed state-of-the-art technology and methods for absorbing, adapting and effectively developing new products. Hence, the Company is making every effort to develop products to meet the changing demand of the public at large. The Company continues to perform Product Development activities to improve quality of products and to reduce production cost to serve its customer better.

(ii) The Benefits derived like product improvement, cost reduction, product development or import substitution

Reduction in down time, cycle time and repair costs has been achieved through the efforts taken on technology and absorption. The company is always updated in terms of production process and technologies.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) Details of technology imported: The Company has not imported any technology during the last three financial years.

b) The year of import: Not Applicable

c) Whether the technology has been fully absorbed: Not Applicable

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

(iv) Expenditure incurred on Research and Development: NIL

C. Foreign Exchange earnings and outgo

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

Date: 14.08.2019**Place: Jaipur**

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**For and on behalf of the Board of Directors
For Vinayak Polycon International Limited**

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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 (a)	Nature of Contracts / Arrangements/ Transactions (b)	Duration of Contracts/ Arrangements/ Transactions (c)	Salient features of Contracts/ Arrangements/ Transactions, Including value, if any (d)	Justification for entering into such contracts or arrangements Or transactions (e)	Date(s) of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which special Resolution passed in general meeting as required under first proviso to Section 188 (h)
N/A							

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

Related Party and Nature of Relationship (a)	Nature of Contracts / Arrangements/ Transactions (b)	Duration of Contracts/ Arrangements/ Transactions (c)	Salient features of Contracts/ Arrangements/ Transactions, including value, if any (d)	Date of approval by the Board / Audit Committee (e)	Amount paid as advances, if any (f)
Mrs. Vinod Baid, Wife of Mr. Bharat Kumar Baid, Managing Director	Rent Payment	11 months subject to renewal	Payment of Rs. 71,500 per month being House Rent of Director's Residence to Mrs. Vinod Baid	30.05.2018	Nil
Crystal Packaging, Mrs. Pushplata Baid, wife of Mr. Bhanwar Lal Baid, Director is Partner	Purchase and Sale Contract	Yearly Contract	Purchase of Manufactured Products & Raw Material from M/s Crystal Packaging and Sale of Scrap to Crystal Packaging upto Rs. 10 Crore in any financial year	30.05.2018	Nil
Jai Sinter Polycon Private Limited, Vikram Baid is Director of the Company	Rent Payment	11 months subject to renewal	Payment of Rs. 2,50,000 per month being rent of Plant & Machinery and Building of M/s Jai Sinter Polycon Private Limited	30.05.2018	Nil
Jai Sinter Polycon Private Limited, Vikram Baid is Director of the Company	Labor Services	11 months subject to renewal	Payment of labor charges of labor supplied by M/s Jai Sinter Polycon Private Limited, Payment will be made as per Amount of Invoice raised by Jai Sinter Polycon Private Limited	30.05.2018	Nil

Date: 14.08.2019

Place: Jaipur

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DIN: 00217347

**Annexure 5****Particulars of Employees****(a) Information as per Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Information as per the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

(Amount in Lakhs)

(i) Remuneration paid to Whole Time Director/Managing Director				
Name of Director	Remuneration in FY 2018-19	Remuneration in FY 2017-18	% Inc./ (Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Vikram Baid	28.84	28.60	0.84%	25.29
Mr. Bharat Kumar Baid	34.36	34.08	0.82%	30.14

(ii) Remuneration paid to KMPs				
Name of KMP	Remuneration in FY 2017-18	Remuneration in FY 2016-17	% Inc./ (Dec) in Remuneration	Ratio to Remuneration to MRE
Mr. Vikram Baid, CFO	Nil	N/A	0.00	0.00
Miss Rashmi Agarwal, CS	3.80	3.54	7.34%	3.33

- (iii) The median remuneration of employees was Rs. 1,14,000 in financial year 2018-19 and Rs. 88,200 in financial year 2017-18. There was increase in MRE in financial year 2018-19 of 29.25% as compared to financial year 2017-18.
- (iv) Number of permanent employees on the rolls of Company was 49 employees as on 31st March, 2019.
- (v) The aggregate remuneration of the non-managerial employees was Rs. 122.85 Lakhs in financial year 2018-19 and Rs. 112.89 Lakhs in financial year 2017-18. The remuneration of non-managerial employees was increased by 8.82% whereas the remuneration of managerial personnel was increased by 3%. The remuneration was increased as per the performance of employees. There are no exceptional circumstances in increase in the managerial remuneration.
- (vi) Remuneration paid during the year ended 31st March, 2019 is as per the Nomination and Remuneration Policy of the Company.



(b) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

List of Top 10 employees of the Company according to the remuneration drawn during the year 2018-19 as per the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

Name	Designation	Remuneration (In Rupees)	Nature of Employment	Qualification	Experience (Years)	Joining Date	Age (Years)	Last Employment	Name of Director or Manager of whom such employee is relative	% of equity shares held by employee along with spouse and dependent children
Bharat Kumar Baid	Managing Director	34,35,900	Contractual	B.Com. FCA	47	*31-12-09	69	Polycon International Limited	Father of Mr. Vikram Baid, Executive Director & CFO.	4.83
Vikram Baid	Executive Director & CFO	28,83,600	Contractual	B.Com. (Hons.), MBF, ACA	20	*31-12-09	43	Polycon International Limited	Son of Mr. Bharat Kumar Baid, Managing Director.	2.73
Madhau Rao Patil	Plant Engineer	5,34,000	On roll	BA	17	*31-12-09	50	Polycon International Limited	-	-
Shiv Nand B Biradar	Engineer	3,84,000	On roll	Metric	6	01-07-14	40	-	-	-
Rashmi Agarwal	Company Secretary & Compliance Officer	3,80,400	On roll	B. Com., ACS	4	10-04-15	27	-	-	-
K.Magesh	Engineer	3,66,000	On roll	Diploma Engineer (Electrical)	9	01-07-11	34	-	-	-
Madhumati Patil	Junior Manager	3,57,500	On roll	Diploma (Comp.)	12	#01-07-18	48	-	-	-
S. Mohan Raj	Engineer	3,48,000	On roll	ITI	6	01-08-12	30	-	-	-
Mekchuin Doley	Engineer	3,36,000	On roll	12 th	7	01-07-11	36	-	-	-
Alok Kumar Sharma	Operator	2,82,000	On roll	11 th	7	01-08-12	32	-	-	-

*The Company was demerged from Polycon International Limited and incorporated on 31st December, 2009, hence, joining date of employees is taken as 31st December, 2009. Earlier they were working in Polycon International Limited.

Mrs. Madhumati Patil had resigned from company in May, 2018 due to personal reasons, later on she requested for reappointment in company and rejoined w.e.f. 1st July, 2018. Hence, her remuneration is given for the term of her service.

Date: 14.08.2019

Place: Jaipur

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INDEPENDENT AUDITOR'S REPORT

To the Members of Vinayak Polycron International Limited

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Vinayak Polycron International Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and Total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are



required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in planning the scope of our audit work and

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iii. The Company has provided requisite disclosures in the financial statements, on the basis of information available with the Company. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

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

**ASHOK KUMAR NATANI
PARTNER
Membership No. 074692**

**Place : JAIPUR
Date : 30-05-2019**



**Annexure A referred to in paragraph 1 under the heading
"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) All 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 / fixed assets 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 Act. 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 Act. There are no loans, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act 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 the Act.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, GST, 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, GST, 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) According to information and explanations given to us by the management and based on our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (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 the Act, 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, reporting requirements under clause 3(xiv) are not applicable to the Company and, 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

ASHOK KUMAR NATANI
PARTNER
Membership No. 074692

Place : JAIPUR
Date : 30-05-2019

**ANNEXURE B 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, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable



assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:

- 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, judging by the nature and quantum of transactions appearing in the financial statements, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place : JAIPUR
Date : 30-05-2019**

**ASHOK KUMAR NATANI
PARTNER
Membership No. 074692**



VINAYAK POLYCON INTERNATIONAL LIMITED

BALANCE SHEET AS AT MARCH 31, 2019

(Amount In Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets		379.13	474.97
(a) Property, Plant and Equipment	2A	345.61	435.55
(b) Capital work-in-progress	2B	-	-
(c) Financial Assets			
(i) Other Financial Assets	3	32.18	33.06
(d) Other Non-Current Assets	4	1.34	6.36
Current assets		692.34	662.26
(a) Inventories	5	81.98	103.25
(b) Financial Assets			
(i) Trade Receivables	6	579.83	531.15
(ii) Cash and Cash Equivalents	7	2.54	6.33
(iii) Other Financial Assets	8	3.62	3.07
(c) Current Tax Assets (Net)	9	2.93	2.90
(d) Other Current Assets	10	21.44	15.56
Total Assets		1,071.47	1,137.23
EQUITY AND LIABILITIES			
EQUITY		450.27	409.16
(a) Equity Share Capital	11	308.13	308.13
(b) Other Equity	12	142.14	101.03
LIABILITIES			
Non-current liabilities		27.70	168.42
(a) Financial Liabilities			
(i) Borrowings	13	-	139.06
(ii) Trade Payable	14	2.61	-
(b) Deferred Tax Liabilities (Net)	15	6.56	14.11
(c) Provisions	16	18.53	15.25
Current liabilities		593.50	559.65
(a) Financial Liabilities		553.10	532.77
(i) Borrowings	17	463.01	372.23
(ii) Trade Payables	18	68.88	137.68
(iii) Other Financial Liabilities	19	21.21	22.86
(b) Other Current Liabilities	20	27.33	26.88
(c) Current Tax Liabilities (Net)	21	13.07	-
Total Equity and Liabilities		1,071.47	1,137.23

Significant accounting policies & Notes to Standalone Financial Statements

1

The accompanying notes are an integral part of the Financial Statements

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

For and on behalf of the Board of Directors

CA Ashok Kumar Natani
Partner
Membership No. 074692

Bharat Kumar Baid
DIN:00212506
Managing Director

Vikram Baid
DIN:00217347
Executive Director
and CFO

Rashmi Agarwal
Company
Secretary

Place : Jaipur
Date : 30.05.2019



VINAYAK POLYCON INTERNATIONAL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount In Lakhs)

PARTICULARS	Note No.	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
REVENUE			
Revenue From Operations	22	2,327.31	1,892.98
Other Income	23	1.54	1.52
Total Income		2,328.85	1,894.50
EXPENSES			
Cost of Material Consumed	24	1,569.75	1,219.73
Changes in inventory of finished goods	25	(10.21)	2.39
Employee benefits expense	26	194.86	185.01
Finance costs	27	37.28	37.61
Depreciation and amortization expense	2A	90.82	86.19
Other expenses	28	426.30	358.54
Total expenses		2,308.80	1,889.47
Profit/(loss) before exceptional items and tax		20.05	5.03
Exceptional Items	29	35.69	-
Profit/(loss) before tax		55.74	5.03
Tax expense:			
(1) Current tax	30	22.18	3.18
(2) Deferred tax	30	-7.55	-9.37
Profit/(Loss) for the period from continuing operations		41.11	11.22
Profit/(loss) for the period		41.11	11.22
Total Comprehensive Income for the period (Comprising Profit(Loss) and Other Comprehensive Income for the period)		41.11	11.22
Earnings per equity share (After exceptional items)			
Basic	31	1.33	0.36
Diluted	31	1.33	0.36
Significant accounting policies & Notes to Standalone Financial Statements			
	1		

The accompanying notes are an integral part of the Financial Statements

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

For and on behalf of the Board of Directors

CA Ashok Kumar Natani
Partner
Membership No. 074692

Bharat Kumar Baid
DIN:00212506
Managing Director

Vikram Baid
DIN:00217347
Executive Director
and CFO

Rashmi Agarwal
Company
Secretary

Place : Jaipur
Date : 30.05.2019

**VINAYAK POLYCON INTERNATIONAL LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019****A. Equity Share Capital**

(Amount in Lakhs)

Balance as at April 1, 2017	308.13
Changes in Equity Share Capital during the year	0
Balance as at March 31, 2018	308.13
Changes in Equity Share Capital during the year	0
Balance as at March 31, 2019	308.13

B. Other Equity

Particulars	Reserves and Surplus		
	General Reserve	Retained Earnings	Total
Balance as at April 1, 2017	30.40	59.40	89.80
Profit for the year	0.00	11.22	11.22
Reversal of Gain on Fair Valuation of Forward Contract for 01.04.2017	0.00	0.00	0.00
Reversal of DTA	0.00	0.00	0.00
Balance as at March 31, 2018	30.40	70.63	101.03
Balance as at April 1, 2018	30.40	70.63	101.03
Profit for the year	0.00	41.11	41.11
Reversal of DTA	0.00	0.00	0.00
Balance as at March 31, 2019	30.40	111.74	142.14

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

For and on behalf of the Board of Directors

CA Ashok Kumar Natani
Partner
Membership No. 074692

Bharat Kumar Baid
DIN:00212506
Managing Director

Vikram Baid
DIN:00217347
Executive Director
and CFO

Rashmi Agarwal
Company
Secretary

Place : Jaipur
Date : 30.05.2019



VINAYAK POLYCON INTERNATIONAL LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Lakhs)

PARTICULARS	CURRENT YEAR 2018-19 AMOUNT	PREVIOUS YEAR 2017-18 AMOUNT
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before exceptional and tax as Statement Profit & Loss (Increase in Reserves)	20.05	5.03
Adjusted for :-		
Finance Cost	37.28	37.61
Interest received	-1.54	-1.52
Rent Income	-	-
Loss/(Profit) on Sale/written off of Fixed Assets	-	-
Withdrawal from capital reserve	-	-
Depreciation	90.82	86.19
Operating Profit before Working Capital Changes	146.61	127.31
Adjusted for:-		
Increase /(Decrease) in Trade Payables	-66.19	7.50
Increase /(Decrease) in Other financial liabilities	-1.65	2.65
Increase /(Decrease) in Other current liabilities	0.45	16.66
Increase /(Decrease) in Provisions (except IT)	3.28	7.52
(Increase)/Decrease in Current Tax Assets (Net)	-0.03	-0.49
(Increase)/Decrease in Inventory	21.27	-36.72
(Increase)/Decrease in Trade receivables	-48.68	-87.46
(Increase)/Decrease in Others current financial assets	0.33	11.80
(Increase)/Decrease in Other current assets	-0.87	8.96
Cash Generated From Operations	54.52	57.73
Net Cash used in Operating Activities Before Exceptional Items	54.52	57.73
Less:- Exceptional Items	-35.69	-
Cash Generated From Operations	90.21	57.73
Less:- Taxes Paid	-9.11	-3.18
Net Cash Flow/(used)From Operating Activites	81.10	54.55
B) CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Long Term Loans & Advances	-	-
Purchase of Fixed Assets	-0.88	-31.38
(Increase)/decrease to CWIP	-	-
Proceeds From Sales/written off of Fixed Assets	-	-
Interest received	1.54	1.52
Rent Income	-	-
Net Cash Flow/(used) in Investing Activities	0.66	-29.86
C) CASH FLOW FROM FINANCING ACTIVITIES		
Procurement of Borrowings	-139.06	-57.57
Repayment of Borrowings	-	-
Net Increase/Decrease in Working Capital Borrowings	90.78	75.19
Interest paid	-37.28	-37.61
Net Cash Flow/(used) From Financing Activities	-85.56	-19.99
Net Increase/(Decrease) in Cash and Cash Equivalent	-3.80	4.70
Opening balance of Cash and Cash Equivalent	6.34	1.64
Closing balance of Cash and Cash Equivalent	2.54	6.34

1 Cash Flow has been prepared under indirect method as set out in Ind AS-7

2 Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current years' figures

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

For and on behalf of the Board of Directors

CA Ashok Kumar Natani
Partner
Membership No. 074692

Bharat Kumar Baid
DIN:00212506
Managing Director

Vikram Baid
DIN:00217347
Executive Director
and CFO

Rashmi Agarwal
Company
Secretary

Place : Jaipur
Date : 30.05.2019

**VINAYAK POLYCON INTERNATIONAL LIMITED****Notes forming part of the Financial Statements****as at and for the year ended 31st March, 2019****Note 1 - General information and Significant Accounting Policies****Note 1.1 - Background**

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 Polycon 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.

Presently the Company is engaged in the business of manufacturing and trading of PET Items like PET Bottles, PET Jars, PET Preforms, PP Caps and Lids etc. Its manufacturing facilities are located at Chennai and Jaipur.

Note 1.2 - Significant Accounting Policies**I. Basis of preparation and presentation****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2016 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2019 are prepared with comparatives under Ind AS.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

II. Use of estimates, assumption and judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets



and liabilities (including contingent liabilities) and the reported income and expenses during the year.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

- (i) **Useful lives and residual value of property, plant and equipment, intangible assets and investment properties** : Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.
- (ii) **Deferred tax assets** : The Company has reviewed the carrying amount of deferred tax assets including MAT credit at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- (iii) **Contingencies** : Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.
- (iv) **Employee benefit expenses** : Actuarial valuation for gratuity liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the management and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.
- (v) **Discounting of Security deposit, and other long term liabilities** : For majority of the security deposits received, the timing of outflow, as mentioned in the underlying contracts, is not ascertainable or is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the financial statements.

III Property, Plant and Equipment

i Recognition and Measurement

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment. Cost is inclusive of inward freight, non refundable duties and taxes and incidental expenses related to acquisition or construction.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item



of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning.

ii. Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

IV Depreciation / amortisation

- i. The Company is following the written down value method of depreciation in respect of Property, plant and equipment.
- ii. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a written down value basis.
- iii. Freehold Land is not depreciated.
- iv. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

V Leases

Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Company's benefit. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Financial lease transactions entered are considered as financial arrangements and the leased assets are capitalised on an amount equal to the present value of future lease payments and corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to leased asset.

VI Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, bank overdraft with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

VII Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw Materials : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

Finished Goods and Work in Progress: Cost includes cost of direct materials and labour and a proportion of



fixed manufacturing overheads based on the normal operating capacity. Cost is determined on first in first out basis.

Traded Goods : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

VIII Financial Instruments

A. Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

B. Subsequent measurement

- (i) **Financial assets carried at amortised cost** : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets carried at fair value through other comprehensive income (FVTOCI)** : A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (iii) **Financial assets carried at fair value through profit or loss (FVTPL)** : A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.
- (iv) **Financial liabilities** : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of financial Asset

A financial asset is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as "Other Income" or "Finance Expense".

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Impairment

(i) Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

Individual trade receivables are written off when management deems them not to be collectible.

(ii) Non - financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). The Company reviews/assesses at each reporting date if there is any indication that an asset may be impaired.

IX Segment Reporting

Factors used to identify segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company is engaged in manufacture and sale of PET and other plastic products which constitutes a single business segment.

X Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

XI Contingent liabilities and provisions

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37.

The company records a liability for any claims where a potential loss probable and capable of being estimated



and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Company has a legal / constructive obligation as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

XII Revenue recognition

Sale of goods : Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, which generally coincides when the products are dispatched / shipped, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, cash discounts and volume rebates. Sales includes excise duty but excludes sales tax / value added tax/goods and service tax.

Income from services : Revenue from sale of services are recognised when services are rendered and related costs are incurred.

Other income : Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition. Rent income is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Rent income is accrued as per terms of contracts.

XIII Employee Benefits

The Company has various schemes of employee benefits such as provident fund, employee state insurance scheme, gratuity and Compensated Absences, which are dealt with as under :

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:(a) defined benefit plans such as gratuity; and(b) defined contribution plans such as provident fund and Family pension funds.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The



defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred.

Liability on account of short term employee benefits, comprising largely of compensated absences and bonus, is recognised on an undiscounted accrual basis during the period when the employee renders service.

XIV Foreign Currency Transactions

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

XV Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally forceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**XVI Earnings Per Share****Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

XVII Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

XVIII Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

XIX Statement of cash flows

Cash flows are reported using the method as prescribed in Ind AS 7 'Statement of Cash flows', where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financial cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

XX Investments

Investments, if any, are to be valued at fair value.



Note 2(A) Property, Plant & Equipment

Particulars	(Amount in Lakhs)										Total	
	Freehold Land	Factory Building	Plant and Machinery	Electric Installation	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Moulds & Dies			
Gross Carrying Amount As at March 31, 2018	13.83	132.65	742.53	29.91	3.46	6.68	21.61	7.80	366.14			1,324.61
Additions			0.30			0.25			0.33			0.88
Disposals												-
As at March 31, 2019	13.83	132.65	742.83	29.91	3.46	6.93	21.61	7.80	366.47			1,325.49
Accumulated Depreciation												-
As at March 31, 2018	-	83.97	484.03	24.07	3.28	6.05	19.72	7.37	260.57			889.06
Additions		4.57	58.17	1.17	0.06	0.18	0.62	0.07	25.98			90.82
Disposals												-
As at March 31, 2019	-	88.54	542.20	25.24	3.34	6.23	20.34	7.44	286.55			979.88
Net carrying amount												
As at March 31, 2018	13.83	48.68	258.50	5.84	0.18	0.63	1.89	0.43	105.57			435.55
As at March 31, 2019	13.83	44.11	200.63	4.67	0.12	0.70	1.27	0.36	79.92			345.61

Note 2(B) CAPITAL WORK IN PROGRESS

Particulars									
As at March 31, 2018	-	-	-	-	-	-	-	-	-
As at March 31, 2019	-	-	-	-	-	-	-	-	-

Note 3 Other Non-Current Financial Assets
(Amount in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
1 Advance to employees	-	2.02
2 Security Deposits	32.18	31.04
TOTAL	32.18	33.06

Note 4 Other Non-Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advances against Goods supply/ Expenses	1.34	6.36
TOTAL	1.34	6.36

Note 5 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
1 Raw Material	42.9	62.46
2 Stores, Spares and Consumables	-	2.73
3 Packing Material	1.33	10.51
4 Finished Goods	37.75	27.55
TOTAL	81.98	103.25

Note 6 Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
1 Unsecured, considered good (Unless otherwise stated) Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	5.02	73.76
2 Other Trade Receivables	574.81	457.39
TOTAL	579.83	531.15

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Refer to Note No. 33 for information about credit risk and market risk of trade receivables.

Note 7 Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
1 Cash in Hand	0.73	1.49
2 Bank Balances	1.81	4.84
TOTAL	2.54	6.33

Note 8 Others Current Financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to employees	3.62	3.07
TOTAL	3.62	3.07

**Note 9 Current Tax Assets (Net)**

(Amount in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax	-	6.08
Less: MAT Credit Entitlement	-	-
Less : Provision for Income Tax	-	-3.18
Refund for AY 2018-19	2.93	-
TOTAL	2.93	2.90

Note 10 Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
1 Prepaid Expenses	5.78	3.61
2 Balance with Excise/Sales Tax/Service Tax	2.95	6.01
3 Advances against Goods supply/ Expenses	1.60	5.94
4 Advance against Capital Goods	11.11	-
TOTAL	21.44	15.56

Note 11 Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Share Capital		
1 Authorised : 32,50,000 Equity Shares of Rs.10/- each	325.00	325.00
2 Issued, Subscribed and fully paid up 30,81,295 Equity shares of Rs.10/- each	308.13	308.13
TOTAL	308.13	308.13

(a) Rights, Preferences and restrictions 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.

(b) Reconciliation of the number of shares outstanding :-

Particulars	As at March 31, 2019		As at 31 March, 2018	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	30,81,295	308.13	30,81,295	308.13
Add: Issued during the year	-	-	-	-
Less: Bought Back during the year	-	-	-	-
At the end of the year	30,81,295	308.13	30,81,295	308.13



(c) Shares held by each shareholder holding more than 5% of number of shares:

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Jai Sinter Polycron Private Limited	354950	11.52%	354950	11.52%
Sankalp Granites Private Limited	323169	10.49%	323169	10.49%
Rajiv Baid	225802	7.33%	89420	2.90%
SIGO Polymers (P) Ltd	182714	5.93%	182714	5.93%
Maratha Petrochemicals (P) Ltd	180854	5.87%	180854	5.87%
Bharat Kumar Baid (HUF)	167134	5.42%	167134	5.42%
	1434623	46.56%	1298241	42.13%

The Company has neither 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 12 Other Equity**(Amount in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Reserves and Surplus</u>		
1 General Reserve		
At the beginning of the year	30.40	30.40
Add: Additions during the year	-	-
Less: withdrawals/transfer	-	-
Balance at the year end	30.40	30.40
2 Surplus		
At the beginning of the year	70.63	59.40
Add: Profit for the Year	41.11	11.23
Balance at the year end	111.74	70.63
TOTAL	142.14	101.03

Note 13 Non Current Financial Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Term Loan		
Secured	-	-
Unsecured		
Loan from Kalyan Vyapar Pvt. Ltd.	-	40.00
Balance due to Demerger	-	95.49
Liability for Capital Goods & expenses	-	1.84
Trade Creditors	-	1.72
TOTAL	-	139.06
Less : Current maturities of long term borrowings	-	-
TOTAL	-	139.06



Note 14 Non Current Trade Payables

(Amount in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured	-	-
Unsecured		
Creditors for Capital Goods & expenses	2.61	-
TOTAL	2.61	-

Note 15 Deferred tax liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities (Net)	6.56	14.11
TOTAL	6.56	14.11

Note 16 Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity	18.53	15.25
TOTAL	18.53	15.25

Note 17 Current Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Loan payable on demand from Banks :		
Secured :		
Bank of Baroda		
a. Cash Credit Account	463.01	372.23
TOTAL	463.01	372.23

Cash Credit facilities from Bank of Baroda 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 @ 9.35% p.a. on monthly rest.

Refer Note No 33 for information about credit risk and market risk for loans.

Note 18 Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Sundry Creditors for goods, services and expenses	68.88	137.68
TOTAL	68.88	137.68

The Company has not received any intimation from any of its suppliers about their having filed a memorandum in pursuance of Micro, Small and Medium Enterprises Development Act, 2006. Hence, the disclosure requirement u/s 22 of MSMED Act, 2006 is not applicable to the Company.

Note 19 Other Current Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Payable on account of Capital Goods	1.00	1.20
Provision for Expenses	14.80	15.44
Provision for Labour Wage	2.52	3.05
Provision for Staff Salary	2.89	3.17
TOTAL	21.21	22.86



Note 20 Other Current Liabilities

(Amount in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Liabilities:		
TDS Payable	2.23	1.70
CGST Payable	4.00	6.55
SGST Payable	4.00	6.55
IGST Payable	8.79	2.55
PF Payable	1.40	1.35
Advance from Customers	6.91	8.18
TOTAL	27.33	26.88

Note 21 Current Tax Liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision For Tax	22.18	-
Less: MAT Credit Entitlement	-	-
Less: Advance Tax Paid	9.11	-
TOTAL	13.07	-

Note 22 Revenue From Operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products		
Finished Goods	2327.31	1,814.78
Add: Excise Duty	-	78.20
TOTAL	2,327.31	1,892.98

Goods and Service Tax (GST) has been effected from July 1, 2017. Consequently excise duty, value added tax, service tax etc. have been replaced with GST. Until June 30, 2017 "Sale of products" included the amount of excise duty recovered on sale. With effect from July 1, 2017 "Sale of products" excludes the amount of GST recovered. Accordingly revenue from sale of products for the year ended March 31, 2018 is not comparable with that of the current year.

Note 23 Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest		
Interest Received	1.54	1.38
Interest on Income Tax Refund	-	0.14
TOTAL	1.54	1.52

Note 24 Cost of Material Consumed

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A Raw Material Consumed		
Raw Material		
Opening Stock	62.46	35.39
Add: Purchases	1495.02	1,120.9
	1,557.48	1,156.37
Less: Closing Stock	42.90	62.46
	1,514.58	1,093.98
B Packing Material	55.17	47.62
C Excise Duty	-	78.20
	1,569.75	1,219.73



Note 25 Changes in inventories of Finished Goods

(Amount in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Finished Goods at the beginning of the year	27.55	29.94
Finished Goods at the end of the year	37.76	27.55
INCREASE/(DECREASE)	(10.21)	2.39

Note 26 Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, Wages and Incentive	179.44	168.75
Contribution to Provident and Other Funds	9.08	8.87
Staff welfare Expenses	6.34	7.39
TOTAL	194.86	185.01

Note 27 Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	33.57	34.91
Other Borrowing Costs	3.71	2.70
TOTAL	37.28	37.61

Note 28 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumption of Stores and Spare Parts	25.51	11.05
Electricity and Fuel Charges	190.82	179.75
Payment to Auditors- Statutory Audit	0.25	0.25
Repair and Maintenance		
Plant and Machinery	23.17	4.77
Building	4.32	1.35
Moulds	8.03	0.08
Others	3.54	1.31
Tour and Traveling		
Domestic	10.41	11.50
Foreign	-	0.89
Postage, Telegraph and Telephone	1.57	1.77
Insurance	3.32	2.97
Listing Expenses & Professional Fees	4.72	3.88
Fee and Subscriptions	1.49	-
Vehicle and Maintenance	0.51	0.55
Printing and Stationary	0.83	-
Government Dues and Fee	0.29	0.53
Rates and Taxes	2.18	0.91
Job Work Paid	1.47	0.47
Service Tax on Transport	-	0.74
Advertisement Expenses	0.60	0.53
Transportation, Handling and Octroi(net)	91.27	75.93
Rent	8.58	10.65
Machine Rent	24.00	10.00
Factory Rent	8.52	20.03
Loss by Cyclone	-	2.92
Gratuity	4.29	7.52
Freight and cartage Expenses	-	5.36
Miscellaneous Expenses	6.61	2.83
TOTAL	426.30	358.55

**Note 29 Exceptional Items (Amount in Lakhs)**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Exceptional Items (The demerger by Hon'ble Rajasthan High Court was approved after changing the date of demerger from April 1 2009 to April 1, 2010. This resulted in a net liability of Rs. 35.69 Lakhs which is no longer required to be paid and hence is treated as income.)	35.69	-
	35.69	-

**Note 30 Tax Expenses
Tax expense recognized in the Statement of Profit and Loss**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax on taxable income for the year (Net of MAT Credit)	22.18	3.18
Total Current Tax expense	22.18	3.18
Deferred Tax		
Deferred Tax charge/(credit)	-7.55	-9.37
Total Deferred Income Tax expense/(benefit)	(7.55)	(9.37)
Tax in respect of earlier years	-	-
Total tax expense	14.63	(6.19)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit as per AS	55.74	5.03
Ind AS Adjustments (before tax)	-	-
Net Income before taxes	55.74	5.03
Applicable Tax Rate*	26%	25.75%
Computed Tax Expense	14.49	1.30
Increase/decrease in taxes on account of :		
Gratuity	0.85	1.94
Depreciation as per Income Tax Act	-16.78	-20.67
Depreciation as per Companies Act	23.62	22.19
Computed Income Tax Expense	22.18	4.76
Less: MAT Credit Entitlement	-	-1.58
Income Tax Expense Reported	22.18	3.18

*Income Tax calculated @ 18.5% u/s 115JB

Deferred Tax Assets (Liabilities)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred Tax Liability	-	-
Deferred Tax Asset		
Property, Plant and Equipment	6.70	5.44
Gratuity	0.85	3.97
TOTAL	7.55	9.41
Net Deferred Tax Liability/(Asset) to be created for the Year	-7.55	-9.41

Note 31 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:



(in number)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Issued number equity shares	30,81,295	30,81,295
Potential Equity Shares	-	-
Weighted average shares outstanding - Basic and Diluted	30,81,295	30,81,295

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit and loss after tax	41.11	11.22
Profit and loss after tax for EPS	41.11	11.22
Basic Earnings per share	1.33	0.36
Diluted Earnings per share	1.33	0.36

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS because there were no potential equity shares.

Note 32 Related Party Transactions

In accordance with the requirements of Ind AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported as under:

(i) Related party name and relationship

Particulars	Designation
Jai Sinter Polycon Pvt. Ltd.	Director Holds office of Profit
Crystal Packaging	Relative of Director are Partner
Mrs. Vinod Baid	Relative of Director
Mr. Bharat Kumar Baid	Key Management Personnel
Miss Rashmi Agarwal	Key Management Personnel
Mr. Vikram Baid	Key Management Personnel

(ii) Disclosure in respect of Material Transactions with Related parties during the year

Particulars	As at March 31, 2019	As at March 31, 2018
Sale of Goods		
Crystal Packaging	201.45	154.99
Receiving of Services		
Jai Sinter Polycon Pvt. Ltd.	35.74	31.21
Rent		
Mrs. Vinod Baid	8.58	8.58
Jai Sinter Polycon Pvt. Ltd.	30.00	30.02
Loans Given/Taken during the year		
Crystal Packaging	-	-37.48
Managerial Remuneration (As per Companies Act 2013)		
Mr. Bharat Kumar Baid	34.36	34.08
Miss Rashmi Agarwal	3.80	3.54
Mr. Vikram Baid	28.84	28.60



(iii) Disclosures with respect of Outstanding Balances of Related Parties (Amount in Lakhs)

Nature of Transactions	Related Parties	
	As at March 31, 2019	As at March 31, 2018
Outstanding Payable		
For Expenses:		
Jai Sinter Polycon Pvt. Ltd.	46.37	33.74
For Remuneration:		
Mr. Bharat Kumar Baid	0.05	11.86
Miss Rashmi Agarwal	0.29	0.27
Mr. Vikram Baid	0.60	11.76
For Advance from customer		
Crystal Packaging	-	0.84

Note 33 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks i.e. Market Risk, Liquidity Risk and Credit Risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

A. Market risk

• Foreign Currency Risk:

There are no currency rate risk on the Company since all the transactions are done in the functional currency (INR) and the Company has not taken any loans or borrowings from the market in foreign currency.

• Interest Rate Risk:

The exposure of the Company's borrowing to interest rate charges at the end of the reporting period is on the amount of outstanding balance of cash credit facilities from Indian Overseas Bank/ Bank of Baroda. The interest rates are linked to 1 year MCLR and are changed at the time of annual renewal. The rates will either increase or decrease depending on changes in RBI's and Bank's policies.

• Price Risk:

The Company faces price risk due to change in price of Raw Materials from time to time. To shield itself from them, all sales contracts and orders are variable to changes in prices from time to time. They are based on the price of raw materials at the beginning of each month or weighted average price of last 3 months.

B. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements.

C. Credit risk

• Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amounts of financial assets represent the maximum credit risk exposure.

• Assets are written off when there is no reasonable expectation of recovery. The Company write offs debtors when they fail to make contractual payment greater than a reasonable limit post due.

• The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Trade and Other Receivables

Credit risk refers to the risk of default on its obligation by the counter party resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 579.83 Lakhs and Rs. 531.15 Lakhs as at March 31, 2019, and March 31, 2018 respectively. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry. The Company monitors its exposure to credit risk on an ongoing basis at various levels. Outstanding customer receivables are regularly monitored.

Due to the geographical spread and the diversity of the Company's customers, the Company is not subject to any significant concentration of credit risks at balance sheet date.



Cash and Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits accounts in different banks across the country.

Cash Credit Facilities

Cash credits facilities from Bank of Baroda, Park Street Branch, Jaipur together with interest and other charges thereon, is secured by mortgage of company's land and building together with plant and machinery thereon both present and future and by way of a hypothecation charge over all movable assets including book debts, stock etc. of the company and secured by personal guarantee of three directors of the company. Cash credit is payable on demand and carries interest rate @ 9.35% p.a. on monthly rest.

Note 34 Fair Value Measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

(Amount in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at amortised cost				
Trade Receivables	579.83	-	531.15	-
Cash & Cash Equivalents	2.54	-	6.33	-
Other Financial Assets	35.80	-	36.13	-
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at fair value through other comprehensive income	-	-	-	-
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at fair value through profit and loss	-	-	-	-
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities designated at amortised cost				
Borrowings (Non-Current and Current)	463.01	-	511.29	-
Trade Payables	71.49	-	137.68	-
Other Financial Liabilities	21.21	-	22.86	-
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities designated at amortised cost at fair value through profit and loss	-	-	-	-

(i) Fair Value of Financial Assets and Liabilities

- The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- Majorly the security deposits are reedemable on demand and hence the fair values of security deposits are approximately equivalent to the carrying amount.
- There is no material difference between carrying amount and fair value of non-current borrowings as on March 31, 2019 and March 31, 2018.

(ii) Fair Value Hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed



equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Note 35 CAPITAL RISK MANAGEMENT

Objective

The primary objective of the Company's capital management is to maximize the shareholder value. i.e. to provide maximum returns to the shareholders. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns to the shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2019 and March 31, 2018.

Policy

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the rules and regulations framed by the Government under whose control the Company operates.

Process

The Company manage its capital by maintaining sound/optimal capital structure financial ratios, such as net debt-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. Debt-to-equity ratio as of March 31, 2019, and March 31, 2018 is as follows:

Particulars	(Amount in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Total debt	463.01	511.29
Total equity	450.27	409.16
Ratio	1.03	1.25

Note 36 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2019	As at March 31, 2018
Current Assets		
Financial Assets		
Floating Charge		
Cash & Cash Equivalents	-	-
Receivables	579.83	531.15
Fixed Deposit lien by bank against term loan	-	-
Short Term Loans & advances	-	-
Non Financial Assets		
Floating Charge		
Inventories	81.98	103.25
Other Current Assets	-	-
Total Current assets Pledged as security	661.81	634.40



Non Current Assets	(Amount in Lakhs)	
First Charge		
Land	13.83	13.83
Building	44.11	48.69
Furniture, fittings and equipment	0.70	0.63
Plant and Machinery including Store & Spares	200.63	258.50
Fixed Deposit lien by bank against term loan	-	-
Others	86.34	113.91
Total non-current assets Pledged as security	345.61	435.56
Total assets Pledged as security	1,007.42	1,069.96

Cash credits facilities from Bank of Baroda, Park Street Branch, Jaipur together with interest and other charges thereon, is secured by mortgage of company's land and building together with plant and machinery thereon both present and future and by way of a hypothecation charge over all movable assets including book debts, stock etc. of the company and secured by personal guarantee of three directors of the company. Cash credit is payable on demand and carries interest rate @ 9.35% p.a. on monthly rest.

Note 37 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 31.03.2019 and 31.03.2018 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.

Note 38 Previous year's figure have been regrouped/ reclassified / rounded off 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

CA Ashok Kumar Natani
Partner
Membership No. 074692

Bharat Kumar Baid
DIN:00212506
Managing Director

Vikram Baid
DIN:00217347
Executive Director
and CFO

Rashmi Agarwal
Company
Secretary

Place : Jaipur
Date : 30.05.2019

(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

Form MGT-11
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:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 09th Annual General Meeting of the Company, to be held on Thursday, 26th September, 2019 at 4:00 P.M. at "Parmanand Hall", Ashok Marg, C-Scheme, Jaipur-302001 (Rajasthan) and at any adjournment thereof in respect of such resolutions as are indicated below:

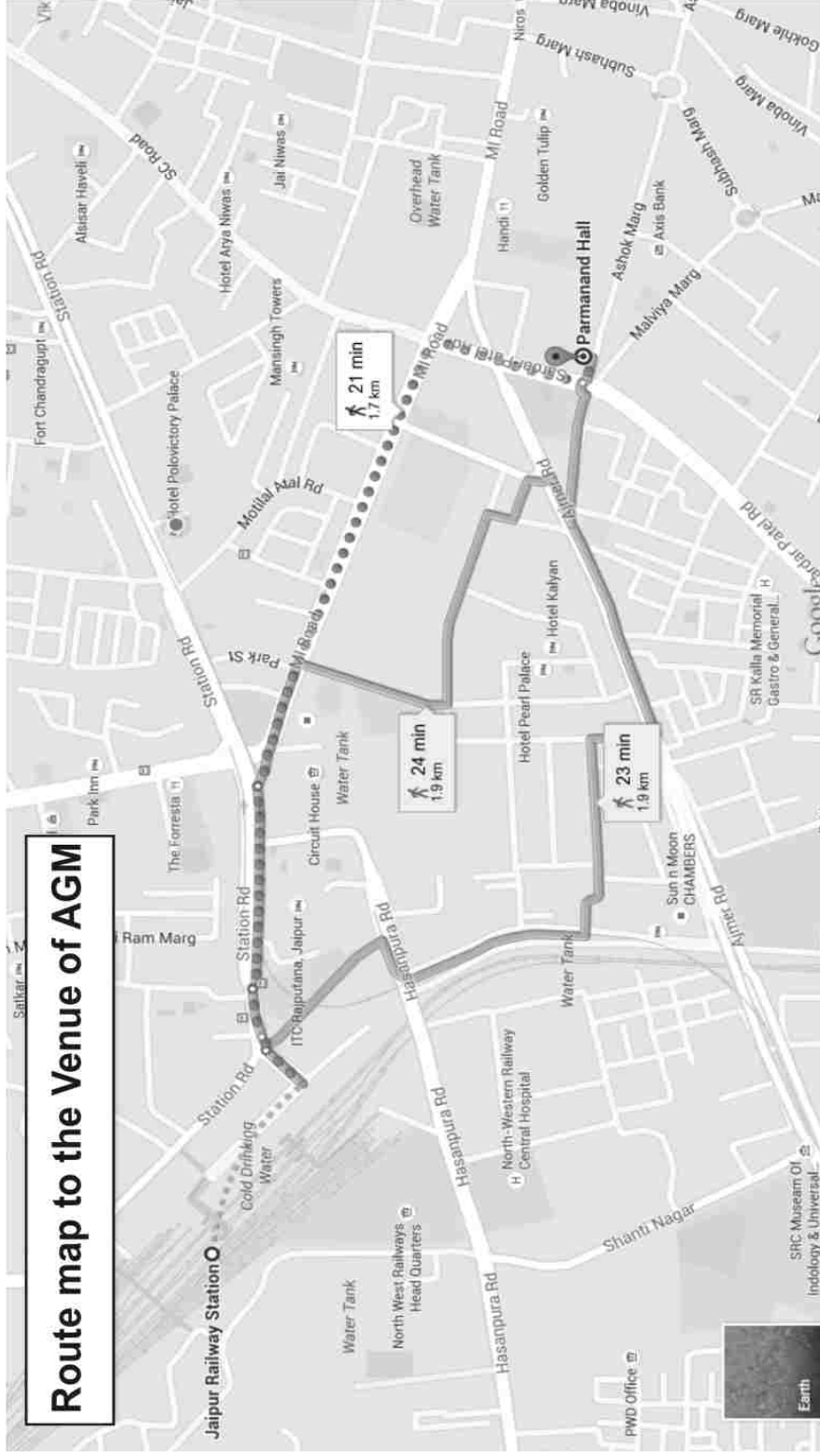
Table with 3 columns: Resolution No., Resolutions, Option (✓). Rows include Ordinary Business, appointment of director, and appointment of auditors.

Signed this.....day of.....2019.
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.

Route map to the Venue of AGM



If undelivered please returned to :



VINAYAK POLYCON International Ltd.

312, Navjeevan Complex, 29 Station Road, Jaipur-302 006