

# Astral Annual Report <sup>19<sup>TH</sup></sup> 2014-15



## Bond it forms Joint Venture with Indian Piping Giant



The equity deal will see the British manufacturer of sealants, adhesives, waterproofing compounds and other building chemicals operate in partnership with Gujarat-headquartered Astral Poly Technik. Astral Poly Technik is a 450 million pound business that manufactures a broad product portfolio, including

chlorinated polyvinyl chloride and polyvinyl chloride piping. Bond it plans to use the joint venture relationship to continue aggressive plans for expansion.

Bond it managing director David Moore said: "The deal comes after extensive negotiation and represents a win-win situation for

everyone involved."

"By enjoying access to Bond IT's range, which includes plumbing solutions, our partners at Astral Poly Technik are able to maximize some of the impressive opportunities offered by the India economy – one of the fastest growing in the world."

### Bond it blasts unsightly organic growth

Bond it, one of the UK's leading independent manufacturers of building chemicals, has launched a new product – Patio Blaster – which prevents unsightly organic growth turning outdoor features and prized investments like caravans and conservatories into eyesores.

Commenting, Kirstie Cooper, Marketing Manager at Bond It, said: "This product builds on our portfolio of high performance products and takes full advantage of our in-depth expertise. It also reflects our commitment to adding value and assisting customers in as many areas as possible."

### Salman Khan vouches for Astral Strong Pipes

Our association with Salman Khan is in sync with our brand communication that highlights the strength of our products. We have earlier partnered with the movie Dabangg-2, where Salman actually used Astral Pipes in the film. Now, our association with him as brand ambassador will further strengthen the brand image and take it to the next level," said Sandeep Engineer, MD, Astral Poly Technik. Astral Poly Technik has, over the years, created a strong client base across all sectors of industry like retail, residential, commercial, medical and industrial.



# The Vision



## World class facilities:

Ahmedabad, Dholka, Baddi, Hosur Astral has the capacity to create the highest quality products to meet the ever expanding demand. We also have stonehouses in Bengaluru, Coimbatore, Delhi, Goa, Hyderabad, Kolkata & Vijayawada.



## Key Certifications in the category

Astral always emphasizes on quality maintenance and product enhancement. Astral is the only company in India having Certification from NSF International for its CPVC products. Astral CPVC products are first to be listed with IAPMO - India for Uniform Plumbing Code - India (UPC) The company has UL approval for CPVC BlazeMaster Fire Sprinkler Systems for above ground as well as underground water mains.





**“**

Astral has done quite well this year by delivering 20% volume growth. This year will be seen as remarkable milestone as we begin venturing into a new business category.

Many positive factors are set to drive growth in the coming years and Astral is all geared up to utilize all the coming opportunities.

**”**

**Shree Sandeep Engineer**  
MD, Astral Poly Technik Ltd.

## Presenting our state-of-the-art production facility at Dholka



# Business Outlook



## A company with Global footprint and near \$ 1 BN market capitalization



**PVC and CPVC Market Size to be Rs. 165 BN.**

Last five years, the plastic industry has seen strong demand traction from growth in construction activities particularly in Tier II and Tier III cities along with replacement demand.

### Astral Firsts:

Astral was first to get CPVC licence from Lubrizol in 1996. It was first to launch lead free PVC pipe in India in 2004. Astral was first to get certified by NSF in 2007. It was first to launch Bendable pipes in 2013 and also was first to get BIS certification for Blazemaster pipes in 2014. It has got extensive distribution channel of 400+ Distributors and 18,000+ Dealers across India at the end of FY 14 and has total employee strength of 602.

## Poised to enter new category of Adhesives with strong backing of Technology and Talent



Resinova has evolved as leading manufacturers of adhesives & sealants, construction chemicals, & industrial maintenance products along with manufacturing and formulation expertise in the field of epoxy resins & hardeners, acrylics, UV Cure, Cyanoacrylates, Silicones, Anaerobic etc. Resinova's products have varied applications including automobile, construction, chemicals, engineering, industrial, furniture, sanitary and household sectors.

On its part, Resinova sells its products in around 50 brands and 600 SKUs with some of the key brands of the company being 'Bondtite', 'Resibond', 'Bondset', 'Solvobond', 'Vetra' and 'Zesta' and many more.

Resinova's supply chain network consists of 11 branch offices and more than 1700 channel partners reaching out to around 400,000 retail outlets across India.

### Only 40% of agricultural land is under irrigation

So far in India, only 40% of agricultural land is under irrigation. There is extensive scope for agricultural and column pipes market as more than half of the land is yet to be covered under irrigation in India.



# Brand Ambassador



Bollywood Heart throbe  
**SALMAN KHAN**  
vouches for Astral Strong Pipes

With continuous growth in Indian infrastructure, Astral always introduces new innovative and cost effective products.



## KEY HIGHLIGHTS

(₹ In Lacs)

| Particulars                                     | 2010-11   | 2011-12    | 2012-13    | 2013-14     | 2014-15     |
|---|-----------|------------|------------|-------------|-------------|
| Capacity (In M.T.)                              | 48,432    | 65,496     | 77,212     | 97,164      | 102,371     |
| Utilisation (In M.T.)                           | 28,289    | 38,824     | 49,495     | 60,400      | 69,925      |
| Sales   | 43,676.35 | 62,221.01  | 89,876.36  | 1,17,067.23 | 1,36,794.53 |
| Less : Excise Duty                              | 2,593.87  | 4,289.20   | 7,784.23   | 9,787.25    | 11,583.74   |
| Net Sales                                       | 41,082.48 | 57,931.81  | 82,092.13  | 1,07,279.98 | 1,25,210.79 |
| Other Operating Income                          | 64.28     | 189.85     | 11.64      | 41.20       | 53.73       |
| Total Income                                    | 41,146.76 | 58,121.66  | 82,103.77  | 1,07,321.18 | 1,25,264.52 |
| Operating Profit (PBIDT)                        | 5,663.42  | 8,372.83   | 11,357.13  | 15,574.81   | 15,051.28   |
| Non Operating Income                            | 62.62     | 199.93     | 189.41     | 207.35      | 133.22      |
| Interest  | 459.17    | 655.46     | 692.46     | 821.36      | 1,293.87    |
| Gross Profit                                    | 5,266.87  | 7,917.30   | 10,854.08  | 14,960.80   | 13,890.63   |
| Depreciation #                                  | 1,071.92  | 1,337.75   | 1,766.60   | 2,132.85    | 3,301.43    |
| Profit Before Tax & Exceptional Items           | 4,194.95  | 6,579.54   | 9,087.48   | 12,827.95   | 10,589.20   |
| Exceptional Items (Exchange Gain/(Loss))        | 24.47     | (1,542.97) | (1,296.02) | (2,690.28)  | (928.47)    |
| Profit Before Tax                               | 4,219.42  | 5,036.57   | 7,791.46   | 10,137.67   | 9,660.73    |
| Tax   | 794.97    | 992.62     | 1,736.00   | 2,386.68    | 2,841.44    |
| Profit After Tax                                | 3,424.45  | 4,043.95   | 6,055.46   | 7,750.99    | 6,819.29    |
| Prior Year Adjustments                          | 65.17     | 68.48      | 103.42     | 30.48       | (65.20)     |
| Net Profit                                      | 3,359.28  | 3,975.46   | 5,952.04   | 7,720.51    | 6,884.49    |
| Paid Up Equity Capital                          | 1,123.81  | 1,123.81   | 1,123.81   | 1,123.81    | 1,183.65    |
| Reserve and Surplus *                           | 13,633.80 | 17,315.39  | 22,939.60  | 30,232.80   | 59,999.89   |
| Shareholders' Funds                             | 14,757.60 | 18,439.20  | 24,063.41  | 31,356.61   | 61,183.54   |
| Loans   | 3,113.37  | 6,354.89   | 6,305.89   | 7,856.27    | 11,176.04   |
| Deferred Tax Liability (Net)                    | 169.00    | 169.00     | 875.91     | 1,306.13    | 1,793.03    |
| Capital Employed **                             | 17,230.14 | 23,725.92  | 30,115.85  | 40,243.79   | 72,031.08   |
| Gross Fixed Assets                              | 13,798.71 | 20,236.72  | 27,032.03  | 36,358.91   | 40,493.27   |
| Capital Work In Progress                        | 809.84    | 1,237.18   | 1,129.37   | 285.33      | 2,142.35    |
| Net Fixed Assets ***                            | 10,400.96 | 15,505.43  | 20,429.02  | 27,642.77   | 28,339.96   |
| Net Current Assets                              | 5,791.00  | 7,228.58   | 8,209.63   | 9,998.61    | 14,779.86   |
| Book Value (₹)                                  | 13.13     | 16.41      | 21.41      | 27.90       | 53.57       |
| Earning Per Equity Share (₹)                    | 2.99      | 3.54       | 5.31       | 6.87        | 6.03        |
| Cash Earning Per Equity Share (₹)               | 3.94      | 4.73       | 7.50       | 9.15        | 9.40        |
| Dividend (%)                                    | 22.50%    | 22.50%     | 25.00%     | 32.50%      | 37.50%      |
| Inventory Days                                  | 106.90    | 111.60     | 92.60      | 89.30       | 79.80       |
| Debtors Days                                    | 75.40     | 64.60      | 46.50      | 48.50       | 55.00       |
| Debt : Equity ( Long Term Debt/Total Net Worth) | 0.30      | 0.48       | 0.37       | 0.38        | 0.26        |
| Debt : Equity ( Total Debt/Total Net Worth)     | 0.21      | 0.34       | 0.26       | 0.25        | 0.18        |

\* Excluding Revaluation Reserves and reducing miscellaneous expenditure.

\*\* Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress.

\*\*\* Excluding Revaluation Reserves and Capital Work in Progress.

# Depreciation for the year 2014-15 is calculated as per Schedule-II of the Companies Act, 2013.

## CONTENTS

| <b>Particulars</b>   | <b>Page No.</b> |
|--|-----------------|
| Company Information .....  | 01              |
| Key Financial Highlights 2014-15 .....                                     | 02              |
| Directors' Report .....  | 04              |
| Corporate Governance Report .....  | 26              |
| Management Discussion and Analysis Report .....                            | 37              |
| Independent Auditors' Report .....   | 40              |
| Balance Sheet .....  | 43              |
| Statement of Profit & Loss .....   | 44              |
| Cash Flow Statement .....  | 45              |
| Significant Accounting Policies .....                                      | 46              |
| Notes forming part of the Financial Statements .....                       | 49              |
| Independent Auditors' Report on Consolidated Financial Statements .....    | 64              |
| Consolidated Balance Sheet .....   | 68              |
| Consolidated Statement of Profit & Loss .....                              | 69              |
| Consolidated Cash Flow Statement .....                                     | 70              |
| Significant Accounting Policies to Consolidated Financial Statements ..... | 71              |
| Notes forming part of the Consolidated Financial Statements .....          | 74              |



## COMPANY INFORMATION

**Astral Poly Technik Limited**

**CIN : L25200GJ1996PLC029134**

(**Tel No:** +91 79 66212000) (**Fax No:** +91 79 66212121) (**E-Mail:** [co@astralpipes.com](mailto:co@astralpipes.com)) (**Website:** [www.astralpipes.com](http://www.astralpipes.com))

### Board of Directors

Mr. K.R. Shenoy  
Mr. Sandeep P. Engineer  
Mrs. Jagruti S. Engineer  
Mr. Kyle A.Thompson  
Mr. Anil Kumar Jani  
Mr. Pradip N. Desai  
Mr. Narasinh K. Balgi

Chairman (Independent Director)  
Managing Director  
Whole Time Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director

### Chief Financial Officer

Mr. Hiranand A. Savlani

### Company Secretary

Mr. Krunal Bhatt

### Statutory Auditors

Deloitte Haskins & Sells  
(Chartered Accountants)  
'Heritage', 3<sup>rd</sup> Floor,  
Near Gujarat Vidhyapith,  
Off Ashram Road,  
Ahmedabad-380 014, Gujarat, India

### Registered & Corporate Office

"Astral House"  
207/1, B/h. Rajpath Club,  
Off S. G. Highway,  
Ahmedabad-380 059, Gujarat, India  
Ph. No. +91 79 66212000  
Fax No. +91 79 66212121

### Registrar & Share Transfer Agent

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai – 400 072.  
Ph. No. +91 22 40430200  
Fax No. +91 22 28475207

### Our Bankers

Corporation Bank  
Standard Chartered Bank  
HDFC Bank Limited  
IDBI Bank Limited  
IndusInd Bank  
HSBC Bank

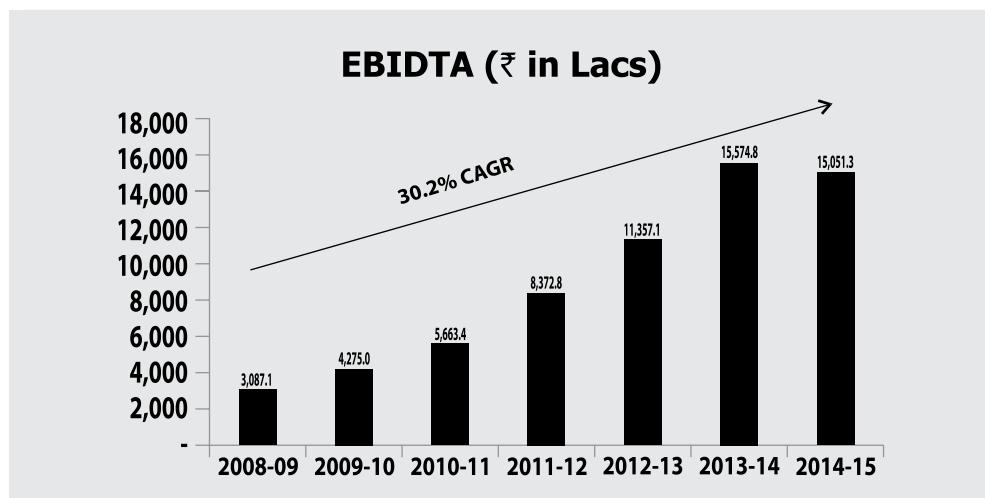
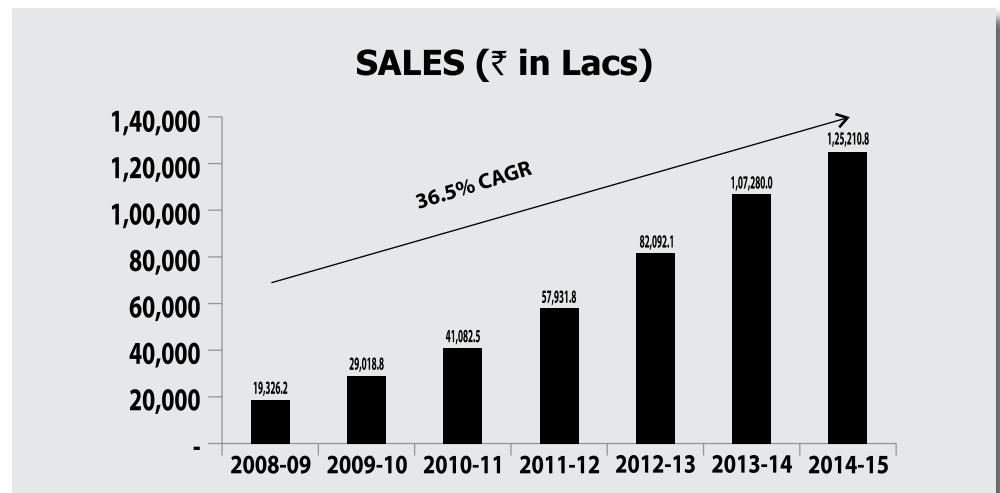
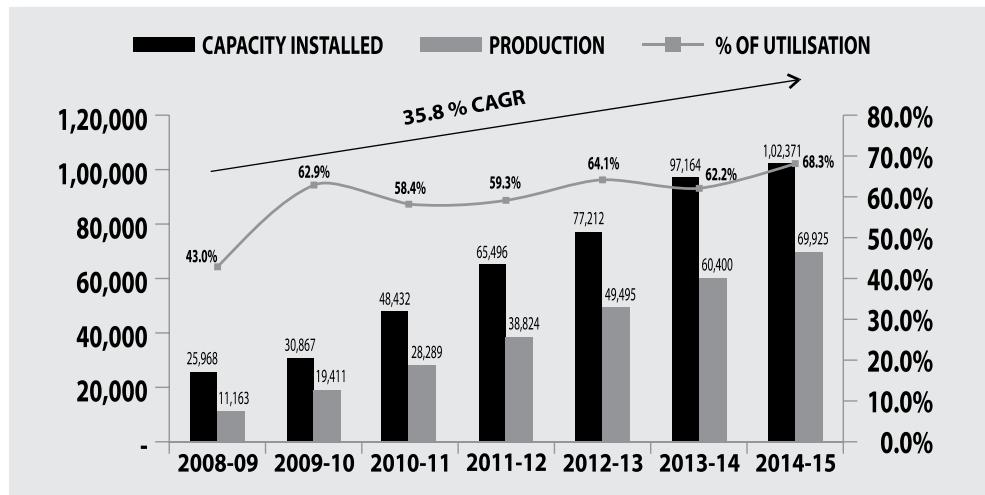
### Factory Location

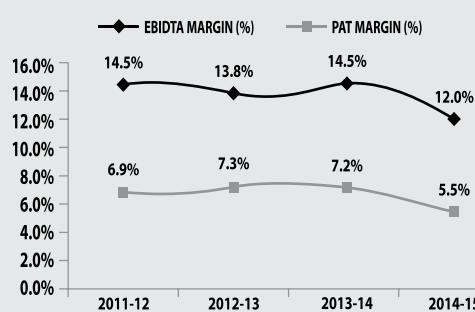
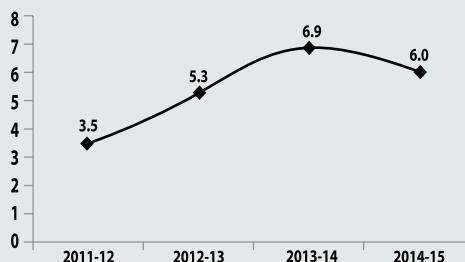
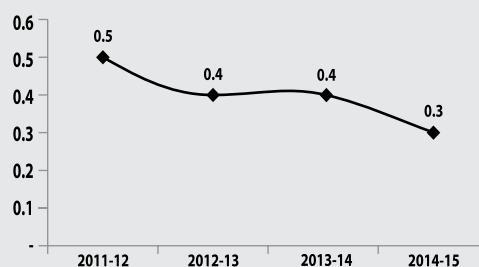
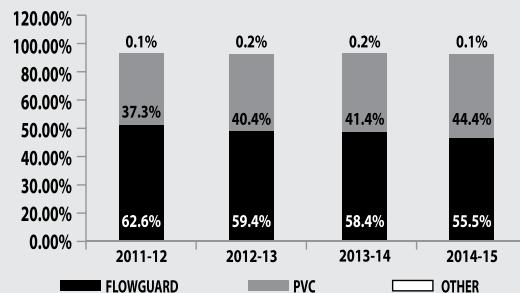
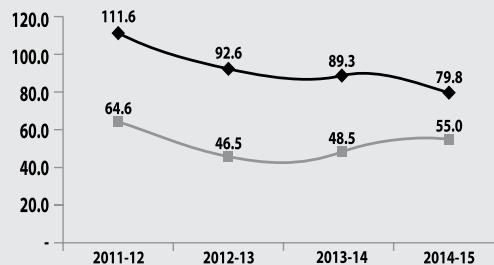
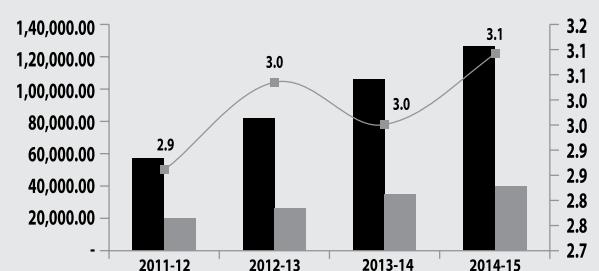
Santej (Gujarat)  
Dholka (Gujarat)  
Hosur (Tamilnadu)

### Branch Offices

New Delhi  
Mumbai (Maharashtra)  
Secunderabad (Telangana)  
Chennai (Tamilnadu)  
Bangalore (Karnataka)  
Jaipur (Rajasthan)  
Lucknow (Uttar Pradesh)  
Hyderabad (Andhra Pradesh)  
Kochi (Kerala)  
Pune (Maharashtra)

## KEY FINANCIAL HIGHLIGHTS 2014-15



**EPS****DEBT/EQUITY RATIO****PRODUCT-WISE SALES BREAKUP (%)****INVENTORY DAYS**      **DEBTORS DAYS****SALES**      **NET ASSETS**      **ASSET TURNOVER RATIO**



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2015.

### 1. FINANCIAL HIGHLIGHTS:

The Standalone and Consolidated Financial Results for the year ended 31<sup>st</sup> March, 2015 are as follows:

(₹ In Lacs)

| Particulars  | Standalone       |                  | Consolidated     |                  |
|--|------------------|------------------|------------------|------------------|
|  | FY 14-15         | FY 13-14         | FY 14-15         | FY 13-14         |
| Net Sales/Income from Operations                         | 1,25,210.79      | 1,07,279.98      | 1,42,937.68      | 1,07,963.92      |
| Other Operating Income                                   | 53.73            | 41.20            | 53.73            | 41.20            |
| Total Income   | 1,25,264.52      | 1,07,321.18      | 1,42,991.41      | 1,08,005.12      |
| Total Expenditure  | 1,10,213.24      | 91,746.37        | 1,26,162.06      | 91,990.74        |
| <b>Profit Before Depreciation, Interest and Tax</b>      | <b>15,051.28</b> | <b>15,574.81</b> | <b>16,829.35</b> | <b>16,014.38</b> |
| Finance Cost   | 1,293.87         | 821.36           | 1,499.27         | 885.51           |
| Depreciation   | 3,301.43         | 2,132.85         | 3,641.93         | 2,191.06         |
| <b>Profit Before Exceptional Items</b>                   | <b>10,455.98</b> | <b>12,620.60</b> | <b>11,688.15</b> | <b>12,937.81</b> |
| Other Non-Operating (Income) Expenses/Exceptional Items  | 795.25           | 2,482.93         | 736.31           | 2,484.39         |
| <b>Profit Before Tax</b>                                 | <b>9,660.73</b>  | <b>10,137.67</b> | <b>10,951.84</b> | <b>10,453.42</b> |
| Provision for Taxation (Including Prior Year Adjustment) | 2,776.24         | 2,417.16         | 3,134.39         | 2,523.65         |
| Net Profit before minority interest                      | 6,884.49         | 7,720.51         | 7,817.45         | 7,929.77         |
| Minority Interest  | -                | -                | 228.05           | 38.31            |
| <b>Net Profit for the year</b>                           | <b>6,884.49</b>  | <b>7,720.51</b>  | <b>7,589.40</b>  | <b>7,891.46</b>  |
| Surplus in Statement of Profit & Loss                    | 23,584.75        | 17,438.87        | 23,713.89        | 17,397.14        |
| Amount available for appropriation                       | 30,469.24        | 25,159.38        | 31,303.29        | 25,288.60        |
| Appropriations:  |                  |                  |                  |                  |
| Interim Dividend   | 168.57           | 140.48           | 168.57           | 140.48           |
| Proposed Final Dividend                                  | 266.32           | 224.76           | 266.32           | 224.76           |
| Dividend Distribution Tax                                | 86.95            | 62.07            | 86.95            | 62.07            |
| Transferred to General Reserve                           | -                | 1,025.00         | -                | 1,025.00         |
| Balance carried to Balance Sheet                         | 29,947.40        | 23,707.07        | 30,781.45        | 23,836.29        |

### 2. DIVIDEND:

Your Directors have recommended a Final Dividend of ₹0.225 (i.e. 22.5%) per equity share for the financial year ended 31<sup>st</sup> March, 2015 subject to approval of members in the ensuing Annual General Meeting. During the year under review, Interim Dividend of ₹0.15 per equity share was declared and paid. The final dividend and interim dividend will absorb ₹434.89 Lacs during the year under review compared to ₹365.24 Lacs absorbed in the previous year.

### 3. CONSOLIDATED FINANCIAL AND OPERATIONAL REVIEW:

- Consolidated Net Sales has increased by 32% from ₹1,07,963.92 Lacs to ₹1,42,937.68 Lacs.
- Consolidated EBDITA has increased by 5% from ₹16,014.38 Lacs to ₹16,829.35 Lacs.
- Consolidated Net Profit has marginally decreased from ₹7,891.46 Lacs to ₹7,589.40 Lacs.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of your Company.

#### 4. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW:

- During the year under review, your Company has increased its installed capacity by 5% from 97,164 M.T. to 102,371 M.T. Your Company has utilized its capacity to the tune of 69,925 M.T. as against the last year's figure of 60,400 M.T. which shows a growth of 16%.
- During the year under review, your Company has incurred a Capital Expenditure to the tune of ₹354.17 Lacs towards the purchase of Land and balance ₹3861.46 Lacs towards the Plant & Machinery, Factory Building and Other Capital Expenditure.
- Your Company has already completed construction of new plant at Dholka, Gujarat adjacent to the existing plant. The installation of machineries will start from financial year 2015-16.

#### 5. NEW ACQUISITIONS:

Your Directors are pleased to inform that during the year under review, your Company has acquired controlling stake in following companies.

**Seal IT Services Limited, UK (Seal IT) :** In August, 2014, your Company acquired 80% equity stake in Seal IT at a consideration of ₹4,505.02 Lacs. Seal IT is in the business of manufacturing of comprehensive range of sealants, adhesives, building chemicals and allied products under the brand name "Bond-it". Manufacturing facility of Seal IT is situated at Elland, UK. Operating from a modern 40,000 sq. feet site, Seal IT has R & D facilities at plant and strictly adheres to ISO 9001 protocol. The main customers are Builders, Merchants, DIY, Sealant Applicators, Roofing Contractors, Roofing Distributors, Industrial Bitumen Manufacturers / Flooring Contractors, Flooring Distributors, Carpet Shops, Architects/Council Export/Wholesalers and Cash & Carry. Seal IT has been awarded ISO 14001 for environment policy compliance. Presently, Seal IT is exporting its products throughout Europe, Africa and Middle East. Details of financials of Seal IT are mentioned in Annexure - A annexed to this report.

**Resinova Chemie Limited (Resinova) :** In November, 2014, your Company acquired 76% equity stake in Resinova at a consideration of ₹21,464.62 Lacs. Resinova is in the business of manufacturing and marketing of a highly diversified range of adhesives and sealants and allied products under the different brand name viz. "Bondtite", "Resibond", "Bondset", "Solvobond", "Vetra", "Brush bond" and "Zesta" etc. Manufacturing facility of Resinova is situated near Kanpur, Uttar Pradesh. Resinova's supply chain network consists of 11 branch offices and more than 1,700 channel partners reaching out to around 4,00,000 retail outlets across India. Resinova is amongst the leading players in epoxy adhesives sector in India. Details of financials of the Resinova are mentioned in Annexure - A annexed to this report.

Both the above acquisitions will synergize with your Company's existing businesses by deepening and widening its product offering and shall further consolidate its adhesives and sealants business which is already carried out by subsidiary of your Company viz. Advanced Adhesives Limited.

#### 6. QUALIFIED INSTITUTIONAL PLACEMENT:

Your Company has successfully completed a Qualified Institutional Placement (QIP) of its Equity shares in December 2014. In terms of SEBI Regulations, the issue price was fixed at ₹402.52 (including a premium of ₹401.52) per Equity share. 59,84,519 equity shares were allotted to the investors and an amount of ₹24,088.89 Lacs was raised through the QIP. Entire proceeds has been utilised for the purposes mentioned in the offer document, there is no unutilised fund as on 31<sup>st</sup> March, 2015.

#### 7. SUBDIVISION OF EQUITY SHARES:

During the year under review, your Company has sub-divided its equity shares bearing the face value of ₹2/- (Rupees Two only) each into fully paid up equity shares bearing the face value of ₹1/- (Rupee One only) each fully paid.

#### 8. SUBSIDIARY/ASSOCIATE COMPANIES:

As on 31<sup>st</sup> March, 2015, your Company has 4 direct subsidiaries, 1 step down subsidiary and 1 associate company. During the year under review, Resinova Chemie Limited and Seal IT Services Limited, UK became subsidiaries of your Company as mentioned above in this report.

A statement containing salient features of the financial statement of subsidiary/joint venture (associate) companies in the prescribed format (i.e. Form AOC-1 as per Companies (Accounts) Rules, 2014) is enclosed as **Annexure - A** to this report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including consolidated financial statements and audited accounts of each of the subsidiary are available on [www.astralpipes.com](http://www.astralpipes.com). These documents will also be available for inspection during working hours at the registered office of your Company at Ahmedabad, Gujarat. Any member interested in obtaining such document may write to the Company Secretary and the same shall be furnished on request.

#### 9. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of your Company prepared in accordance with the provisions of the Companies Act, 2013, Listing Agreement and relevant Accounting Standards issued by the Institute of Chartered Accountants of India form part of this Annual Report.



## **10. CREDIT RATING:**

During the year under review, your Company has been able to improve its Credit Rating with CRISIL even under difficult environment of the Indian Economy. Details of credit rating are as under:

| Sr. No. | Facility         | Current Year Rating | Last Year Rating |
|---------|------------------|---------------------|------------------|
| 1       | Bank Guarantee   | A1+                 | A1               |
| 2       | Letter of Credit | A1+                 | A1               |
| 3       | Commercial Paper | A1+                 | -                |
| 4       | Long Term Loans  | A+                  | A+/Stable        |
| 5       | Cash Credit      | A+                  | A+/Stable        |

## **11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report which as stipulated under the Listing Agreement forms part this Directors' Report.

## **12. CORPORATE GOVERNANCE:**

Corporate Governance Report which as stipulated under the Listing Agreement entered into with the Stock Exchanges forms part of this Directors' Report.

## **13. INSURANCE:**

The Fixed Assets and Stocks of your Company are adequately insured.

## **14. FIXED DEPOSITS:**

Your Company has not accepted any Fixed Deposits as defined under Section 73 of the Companies Act, 2013 and rules framed thereunder.

## **15. PARTICULARS OF LOANS, GAURANTEES OR INVESTMENT:**

Particulars of loan, guarantee and investment made by your Company during the year under review and covered under section 186 of the Companies Act, 2013 are as under:

| Name of Company           | Relationship            | Nature of Transaction      | Amount in Lacs |
|---------------------------|-------------------------|----------------------------|----------------|
| Resinova Chemie Ltd.      | Subsidiary              | Investment                 | 21,464.62      |
| Seal IT Services Ltd., UK | Subsidiary              | Investment                 | 4,505.02       |
|                           |                         | Loan                       | 813.67         |
|                           |                         | Receipt towards loan given | 269.94         |
| Astral Biochem Pvt. Ltd.  | Wholly Owned Subsidiary | Loan                       | 15.03          |

Particulars of loan, guarantee and investment are also provided in notes to the financial statements.

## **16. CORPORATE SOCIAL RESPONSIBILITY:**

In accordance with the provisions of section 135 of the Companies Act, 2013 and the rules made thereunder, your Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually.

Annual Report on CSR activities carried out by the Company during FY 2014-15 is enclosed as **Annexure - B** to this report.

## **17. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

- In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed;
- The directors have selected such accounting policies and applied consistently and judgement 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;
- The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The directors have laid down internal financial controls, which are adequate and operating effectively;
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.



## **18. AUDITORS:**

### **Statutory Auditors:**

M/s. Deloitte Haskins & Sells, Chartered Accountants were appointed as Statutory Auditors of your Company at the previous Annual General Meeting held on 25<sup>th</sup> August, 2014 for a period of three years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing Annual General Meeting. Your Company has received a confirmation from the said Auditors to the effect that their appointment, if made, at the ensuing Annual General Meeting would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

### **Cost Auditors:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its plastic & polymers activity is required to be audited. Your Directors has, on the recommendation of the Audit Committee, appointed M/s V. H Savaliya & Associates, Cost Accountants to audit the cost accounts of the Company for the financial year 2015-16 at a remuneration of ₹1.25 Lacs. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s V. H Savaliya & Associates is included in the Notice convening the ensuing Annual General Meeting.

### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Monica Kanuga, Practising Company Secretary to undertake the Secretarial Audit of the Company for FY 2014-15. Secretarial Audit Report for FY 2014-15 is enclosed as **Annexure - C** to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **19. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL:**

Your Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has adopted proper system of Internal Control and Risk Management to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorized, recorded and reported quickly.

## **20. SIGNIFICANT AND MATERIAL ORDERS:**

There are no significant and material orders passed by any regulator or court or tribunal impacting the going concern status and your Company's operations in future.

## **21. BOARD EVALUATION:**

In compliance of the Companies Act, 2013 and clause 49 of the Listing Agreement, the performance evaluation of the Board / Committees was carried out. The evaluation process has been explained in the Corporate Governance Report.

## **22. RELATED PARTY TRANSACTIONS:**

All the related party transactions are entered into during the financial year under review were in ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the same can be accessed at [http://astralpipes.com/SystemUpload/InvestorRelationPDF/108\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/108_L.pdf). The details of the transactions with Related Party are provided in the accompanying financial statements.

## **23. NUMBERS OF BOARD MEETINGS:**

The Board of Directors met seven times during the year under review. The details of board meetings and the attendance of the directors are provided in the Corporate Governance Report.

## **24. DIRECTORS:**

Mr. Anil Kumar Jani was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Non-Independent) under section 161 of the Companies Act, 2013 w.e.f 28<sup>th</sup> January, 2015 who shall hold office upto the date of ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160 of the Companies Act, 2013 from a member proposing his appointment as Director. The Board of Directors recommends his appointment.



Mr. Narasinh K Balgi was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. 28<sup>th</sup> January, 2015 who shall hold office upto the date of ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160 of the Companies Act, 2013 from a member proposing his appointment as Director. He is proposed to be appointed as an Independent Director for a period of five years i.e. to hold office upto 27<sup>th</sup> January, 2020. The Board of Directors recommends his appointment.

Mr. Sandeep P. Engineer was, on the recommendation of Nomination and Remuneration Committee, re-appointed as a Managing Director of your Company by the Board of Directors for a period of 3 years w.e.f. 1<sup>st</sup> February, 2015. The said re-appointment is subject to approval of members of the Company in ensuing Annual General Meeting.

Pursuant to Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Jagruti S. Engineer is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The requisite particulars in respect of Director seeking re-appointment are given in Corporate Governance Report.

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, the he meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

Details of policy of appointment and remuneration of directors has been provided in the Corporate Governance Report.

Necessary resolutions (alongwith explanatory statement) for appointment/re-appointment of the aforesaid directors have been included in the notice convening the ensuing Annual General Meeting.

## **25. CHANGES IN KEY MANAGERIAL PERSONNEL:**

During the year under review, Ms. Zankhana Trivedi resigned as Company Secretary w.e.f 1<sup>st</sup> October, 2014. Mr. Amish Shah was appointed as Company Secretary from the same date. Upon resignation of Mr. Amish Shah w.e.f 31<sup>st</sup> January, 2015, Mr. Krunal Bhatt was appointed as Company Secretary w.e.f 2<sup>nd</sup> February, 2015.

## **26. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure - D** to this report.

## **27. PARTICULARS OF EMPLOYEES:**

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure - E** to this report.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2014-15.

## **28. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars of Section 134(3)(m) with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Accounts) Rules, 2014 are provided in the **Annexure - F** to the Report.

## **29. ACKNOWLEDGMENTS:**

Your Company has maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the industry. Your directors place on record their sincere appreciation for significant contributions made by the employees through their dedication, hard work and commitment towards the success and growth of your Company. The Directors wish to thank Specialty Process LLC., U.S.A for the technical and financial support extended to your Company throughout the journey of your Company. Your Directors take this opportunity to place on record their sense of gratitude to the Banks, Financial Institutions, Central and State Government Departments, their Local Authorities and other agencies working with the Company for their guidance and support.

**For, Astral Poly Technik Limited**

**(Sandeep P. Engineer)**  
Managing Director

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**For, Astral Poly Technik Limited**

**(Jagruti S. Engineer)**  
Whole Time Director



## Annexures to Directors' Report

### ANNEXURE-A

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### PART – A : SUBSIDIARIES

(₹ In Lacs)

| Name of Subsidiary         | Astral Biochem Pvt. Ltd. | Advanced Adhesives Ltd. | Resinova Chemie Ltd. | Seal IT Services Ltd., UK (Group) | Calder Distribution Ltd., UK* |
|----------------------------|--------------------------|-------------------------|----------------------|-----------------------------------|-------------------------------|
| Financial Period Ended     | March, 2015              | March, 2015             | March, 2015          | March, 2015                       | March, 2015                   |
| Reporting currency         | INR                      | INR                     | INR                  | GBP                               | GBP                           |
| Exchange Rate <sup>®</sup> | -                        | -                       | -                    | 92.34                             | 92.34                         |
| Share capital              | 5.00                     | 5.00                    | 400.49               | 0.09                              | 0.09                          |
| Reserves & surplus         | -                        | 962.66                  | 3,962.49             | 2,110.05                          | 30.35                         |
| Total assets               | 525.84                   | 1,627.58                | 8,401.41             | 6,550.98                          | 38.15                         |
| Total Liabilities          | 520.84                   | 659.92                  | 4,038.43             | 4,440.84                          | 7.71                          |
| Investments                | -                        | -                       | -                    | -                                 | -                             |
| Turnover                   | -                        | 3,168.93                | 20,288.45            | 13,863.37                         | 621.88                        |
| Profit before taxation     | -                        | 702.19                  | 1,381.30             | 696.91                            | 25.92                         |
| Provision for taxation     | -                        | 217.13                  | 452.66               | 92.09                             | 5.65                          |
| Profit after taxation      | -                        | 485.06                  | 928.64               | 604.82                            | 20.27                         |
| Proposed Dividend          | -                        | -                       | -                    | -                                 | -                             |
| % of shareholding          | 100                      | 85                      | 76                   | 80                                | 80                            |

\* Calder Distribution Limited (Calder) is the 100% subsidiary of Seal IT Services Limited. Calder has ceased operations w.e.f. 31.12.2014. Figures are for the period from 1.1.2014 to 31.03.2015.

<sup>®</sup> P&L Item converted at yearly average exchange rate.

**Notes:** Astral Biochem Pvt. Ltd. is yet to commence operations.

No subsidiary was liquidated or sold during the year.

#### PART – B : ASSOCIATE AND JOINT VENTURE

(₹ In Lacs)

| Name of Associate / Joint Venture  | Astral Pipes Limited, Kenya                           |
|--|---|
| Latest audited Balance Sheet Date  | 31 <sup>st</sup> December, 2014                       |
| Shares of Joint Ventures held by the company on 31 <sup>st</sup> March, 2015 |   |
| No. of shares  | 7,50,000 equity shares<br>22,50,000 preference shares |
| Amount of investment   | 1,057.70  |
| Extent of holding %  | 37.50   |
| Description of how there is significant influence                            | Joint Venture   |
| Reason why the joint venture is not consolidated                             | N.A.  |
| Net-worth attributable to Shareholding as per latest audited Balance Sheet   | ₹543.47 Lacs  |
| Profit / (Loss) for the year   | ₹(382.35) Lacs  |
| i. Considered in Consolidation   | ₹(143.38) Lacs  |
| ii. Not Considered in Consolidation  | ₹(238.97) Lacs  |

**Note:** No Associate or Joint Venture was liquidated or sold during the year.

For and on behalf of the Board of Directors

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**ANNEXURE-B****REPORT ON CORPORATE SOCIAL RESPONSIBILITY****1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

CSR policy of the Company encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Company's CSR policy is available on web link: [http://astralpipes.com/SystemUpload/InvestorRelationPDF/106\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/106_L.pdf)

**2. The Composition of CSR Committee:**

The Company's CSR Committee comprises two independent Directors and the Whole Time Director of the Company, and is chaired by an independent Director. The composition of the Committee is set out below:

|                       |            |
|-----------------------|------------|
| Mr. K R Shenoy        | - Chairman |
| Mr. Pradip Desai      | - Member   |
| Mrs. Jagruti Engineer | - Member   |

**3. Average net profit of the Company for last three financial years:**

₹7702.26 Lacs.

**4. Prescribed CSR Expenditure (two percent of amount stated in item 3 above):**

₹154.05 Lacs.

**5. Details of CSR spent during Financial year :**

- (a) Total amount to be spent for Financial Year: ₹154.05 Lacs. (The Company has spent ₹160 Lacs)
- (b) Amount unspent, if any: Nil
- (c) Manner in which amount spent during the financial year: Details given below:

| Sr. No. | CSR project or activity identified   | Sector in which the project is covered (As per Schedule VII of Companies Act 2013)   | Projects or programs<br>1) Local area or other<br>2) Specify the states and district where the project was undertaken | Amount outlay (budget) – project or program wise (₹ in Lacs) | Amount spent on the projects or programs Sub heads:<br>(1) Direct expenditure on project or program<br>(2) overhead (₹ in Lacs) | Cumulative expenditure upto the reporting period (₹ in Lacs) | Amount spent – Direct or through implementing agency    |
|---------|--|--|---|--|---|--|---|
| 1       | Infrastructure development for carrying out activities like yoga, day care for senior citizens and other related activities. | Promoting health care including preventive health care; setting up old age homes, day care centres and such other facilities for senior citizens | Ahmedabad - Gujarat   | 500  | 160   | 160  | Through a registered trust viz. Astral Charitable trust |

**6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not applicable.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

**(Jagruti S. Engineer)**  
Whole Time Director

**(Mr. K R Shenoy)**  
Chairman of CSR Committee

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**ANNEXURE-C****FORM No. MR - 3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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

To,  
The Members,  
Astral Poly Technik Limited  
"Astral House"  
207/1, B/h. Rajpath Club,  
Off S.G. Highway,  
Ahmedabad – 380059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Astral Poly Technik Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**Management's Responsibility**

Management is responsible for the maintenance of the Secretarial records and for the preparation and filing of forms, returns, documents for compliances and to ensure that they are free from material non compliance, whether due to fraud or error.

**Secretarial Auditor's Responsibility**

Secretarial Audit is a process of verification of records and documents on sample or test basis. My responsibility is to express an opinion on the secretarial compliances of certain laws by the Company on the basis of my audit. The audit practices and processes have been followed as deemed appropriate to provide reasonable assurance about the correctness of the records and the confirmation of compliance. My audit process has involved verification of records and dependence on Management representation and my opinion is based thereupon.

Based on my 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, I hereby report that in my opinion, the Company has generally, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.



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

The Management has confirmed that no specific laws are applicable to the Company.

During the period under review, provisions of the following regulations were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (v) Secretarial Standards issued by The Institute of Company Secretaries of India.

**I further report that:**

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

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

All decisions at the meeting of the Board of Directors / Committees of the Board were taken unanimously as recorded in the minutes of the meetings and no dissenting views have been recorded.

**I 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.

**I further report that** during the audit period the Company has:

- (i) Issued 5984519 Equity Shares of ₹1/- each at a price of ₹402.52 per Equity share including a premium of ₹401.52 per Equity Share aggregating to ₹2408.89 million as placement to qualified institutions.

Date : 25<sup>th</sup> May, 2015

Place : Ahmedabad

Name of PCS : **Monica Kanuga**

FCS No. : 3868

C P No. : 2125

**ANNEXURE-D****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended 31<sup>st</sup> March, 2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

|   |   |   |
|---|---|---|
| CIN   | : | L25200GJ1996PLC029134   |
| Registration Date   | : | 25 <sup>th</sup> March, 1996  |
| Name of the Company   | : | Astral Poly Technik Limited.  |
| Category / Sub-Category of the Company                                    | : | Company Limited By Shares / Indian Non-Government Company   |
| Address of the Registered office and contact details                      | : | "Astral House", 207/1, B/H Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.   |
| Whether listed company  | : | Yes   |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | : | Bigshare Services Pvt Ltd.<br>E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai, Maharashtra, 400072.<br>Tel.: 022-40430200, Fax No. 022-28475207 |

**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:

| Name and description of main Products/Services | NIC Code of the Product/ service | % to total turnover of the Company |
|--|----------------------------------|------------------------------------|
| Plastic Products                               | 222                              | 96                                 |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| Sr. No. | Name and address of the Company  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held  | Applicable Section |
|---------|--|-----------------------|--------------------------------|---|--------------------|
| 1.      | Astral Biochem Pvt. Ltd.<br>"Astral House", 207/1, B/H Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.                | U01407GJ2008PTC054506 | Wholly Owned Subsidiary        | 100   | 2(87)              |
| 2.      | Advanced Adhesives Ltd.<br>"Astral House", 207/1, B/H Rajpath Club, Off S.G.Highway, Ahmedabad Gujarat 380059.                 | U24295GJ2009PLC058120 | Subsidiary                     | 85  | 2(87)              |
| 3.      | Resinova Chemie Ltd.<br>15/78 - C Civil Lines Kanpur Uttar Pradesh 208001.   | U24131UP1995PLC018135 | Subsidiary                     | 76  | 2(87)              |
| 4.      | Seal IT Services Ltd<br>Unit G16, River Bank Way<br>Lowfield Business Park, West Yorkshire,<br>HX5 9DN. United Kingdom         | N.A                   | Subsidiary                     | 80  | 2(87)              |
| 5.      | Calder Distribution Ltd<br>Unit G 16,River Bank Way, Lowfields,<br>Business Park, West Yorkshire, HX 5 9<br>DN, United Kingdom | N.A                   | Step down Subsidiary           | 80<br>(wholly owned Subsidiary of Seal IT services Limited) | 2(87)              |
| 6.      | Astral Pipes Ltd.<br>L.R. No. 209/14571<br>Masai Road, Industrial Area,<br>P.O. Box 18141-00500. Nairobi.                      | N.A                   | Associate                      | 37.5  | 2(6)               |


**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) AS ON 31<sup>ST</sup> MARCH, 2015:**
**(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 |                          |
| <b>A. Promoter</b>   |                          |   |                 |              |                   |   |                 |              |                   |                          |
| <b>1 Indian</b>  |                          |   |                 |              |                   |   |                 |              |                   |                          |
| a) Individuals/HUF   | 20067790                 | 0   | 20067790        | 35.71        | 39614818          | 0   | 39614818        | 33.47        | -2.24             |                          |
| b) Central Government  | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            | -                 |                          |
| c) State Government(s)   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            | -                 |                          |
| d) Bodies Corporate  | 11812405                 | 0   | 11812405        | 21.02        | 23624810          | 0   | 23624810        | 19.96        | -1.06             |                          |
| e) Banks/FI  | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| f) Any Others  |                          |   |                 |              |                   |   |                 |              |                   |                          |
| <b>Sub Total(A)(1)</b>   | <b>31880195</b>          |   | <b>31880195</b> | <b>56.74</b> | <b>63239628</b>   | <b>0</b>                                  | <b>63239628</b> | <b>53.43</b> | <b>-3.31</b>      |                          |
| <b>2 Foreign</b>   |                          |   |                 |              |                   |   |                 |              |                   |                          |
| a) NRIs-Individuals  | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| b) Other-Individuals   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| c) Bodies Corporate  | 3977885                  | 0   | 3977885         | 7.08         | 7955770           | 0   | 7955770         | 6.72         | -0.36             |                          |
| d) Banks/FI  | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| e) Any Other   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| <b>Sub Total(A)(2)</b>   | <b>3977885</b>           |   | <b>3977885</b>  | <b>7.08</b>  | <b>7955770</b>    | <b>0</b>                                  | <b>7955770</b>  | <b>6.72</b>  | <b>-0.36</b>      |                          |
| <b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b> | <b>35858080</b>          | <b>0</b>  | <b>35858080</b> | <b>63.82</b> | <b>71195398</b>   | <b>0</b>                                  | <b>71195398</b> | <b>60.15</b> | <b>-3.67</b>      |                          |
| <b>B. Public shareholding</b>  |                          |   |                 |              |                   |   |                 |              |                   |                          |
| <b>1 Institutions</b>  |                          |   |                 |              |                   |   |                 |              |                   |                          |
| a) Mutual Funds/ UTI   | 619172                   | 0   | 619172          | 1.10         | 9291521           | 0   | 9291521         | 7.85         | 6.75              |                          |
| b) Banks/FI  | 3369                     | 0   | 3369            | 0.01         | 3899              | 0   | 3899            | 0.00         | -0.01             |                          |
| c) Central Govt.   | 0                        | 0   | 0               | 0            | 0                 | 0   | 00              | 0            |                   |                          |
| d) State Govt.   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| e) Venture Capital Funds   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| f) Insurance Companies   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| g) FII   | 9040253                  | 0   | 9040253         | 16.09        | 16207693          | 0   | 16207693        | 13.69        | -2.4              |                          |
| h) Foreign Venture Capital Funds   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| i) Any Other   | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| Foreign Portfolio Investor (Corporate)                                     | 0                        | 0   | 0               | 0            | 0                 | 0   | 0               | 0            |                   |                          |
| <b>Sub-Total (B)(1)</b>  | <b>9662794</b>           | <b>0</b>  | <b>9662794</b>  | <b>17.20</b> | <b>25503113</b>   | <b>0</b>                                  | <b>25503113</b> | <b>21.55</b> | <b>4.35</b>       |                          |



|  | 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 |                          |
| <b>2 Non-institutions</b>  |                          |   |              |                 |                   |   |              |                  |                   |                          |
| a) Bodies Corporate  |                          | 0   | 0            | 0               | 0                 | 0   | 00           | 0                | 0                 |                          |
| i) Indian  |                          | 1534115   | 0            | 1534115         | 2.73              | 3304955                                   | 0            | 3304955          | 2.79              | 0.06                     |
| ii) Overseas   |                          | 0   | 0            | 0               | 0                 | 1801280                                   | 0            | 1801280          | 1.52              | 1.52                     |
| b) Individuals   |                          |   |              |                 |                   |   |              |                  |                   |                          |
| i) Individuals shareholders holding nominal share capital up to ₹1 Lac.        |                          | 5081740   | 20877        | 5102617         | 9.08              | 10348002                                  | 13190        | 10361192         | 8.75              | -0.33                    |
| ii) Individual shareholders holding nominal share capital in excess of ₹1 Lac. |                          | 3115874   | 0            | 3115874         | 5.55              | 4456066                                   | 0            | 4456066          | 3.77              | -1.78                    |
| c) Other (specify)   |                          | 0   | 0            | 0               | 0                 | 0   | 0            | 0                | 0                 | 0                        |
| Clearing Member  |                          | 52186   |              | 52186           | 0.09              | 51733                                     | 0            | 51733            | 0.04              | -0.05                    |
| Non Resident Indian  |                          | 864614  |              | 864614          | 1.54              | 1691342                                   | 0            | 1691342          | 1.43              | -0.11                    |
| Foreign Nationals  |                          | 0   | 0            | 0               | 0                 | 0   | 0            | 0                | 0                 | 0                        |
| Trusts   |                          | 0   | 0            | 0               | 0                 | 0   | 0            | 0                | 0                 | 0                        |
| <b>Sub-Total (B)(2)</b>  |                          | <b>10648529</b>                                 | <b>20877</b> | <b>10669406</b> | <b>18.99</b>      | <b>21653378</b>                           | <b>13190</b> | <b>21666568</b>  | <b>18.31</b>      | <b>-0.68</b>             |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                             |                          | <b>20311323</b>                                 | <b>20877</b> | <b>20332200</b> | <b>36.18</b>      | <b>47156491</b>                           | <b>13190</b> | <b>47169681</b>  | <b>39.85</b>      | <b>3.67</b>              |
| <b>C. Shares held by Custodians for GDRs &amp; ADRs</b>                        |                          | 0   | 0            | 0               | 0                 | 0   | 0            | 0                | 0                 | 0                        |
| <b>GRAND TOTAL (A)+(B)+(C)</b>   |                          | <b>56169403</b>                                 | <b>20877</b> | <b>56190280</b> | <b>100.00</b>     | <b>118351889</b>                          | <b>13190</b> | <b>118365079</b> | <b>100</b>        | <b>0</b>                 |

## (ii) Shareholding of Promoters

| Sr. No.      | Shareholder's Name             | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % Change 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            | Mr. Sandeep P. Engineer        | 1,18,35,705                               | 21.06                            | 0  | 2,36,71,410                         | 20.00                            | 0  | 1.06                     |
| 2            | Saumya Polymers LLP            | 78,79,085                                 | 14.02                            | 0  | 1,57,58,170                         | 13.31                            | 0  | 0.71                     |
| 3            | Mrs. Jagruti S. Engineer       | 45,71,705                                 | 8.14                             | 0  | 91,43,410                           | 7.73                             | 0  | 0.41                     |
| 4            | Specialty Process LLC          | 39,77,885                                 | 7.08                             | 0  | 79,55,770                           | 6.72                             | 0  | 0.36                     |
| 5            | Mrs. Hansa Pravinbhai Engineer | 33,35,230                                 | 5.94                             | 0  | 66,70,460                           | 5.64                             | 0  | 0.30                     |
| 6            | Saumya Polymers LLP            | 27,53,190                                 | 4.90                             | 0  | 55,06,380                           | 4.65                             | 0  | 0.25                     |
| 7            | Kairav Chemicals Limited       | 11,80,130                                 | 2.10                             | 0  | 23,60,260                           | 1.99                             | 0  | 0.11                     |
| 8            | Mr. Bipin Ranchodbhai Mehta*   | 3,25,150                                  | 0.58                             | 0  | 1,29,538                            | 0.11                             | 0  | 0.47                     |
| <b>Total</b> |                                | <b>3,58,58,080</b>                        | <b>63.82</b>                     | <b>0</b>   | <b>7,11,95,398</b>                  | <b>60.15</b>                     | <b>0</b>   | <b>3.67</b>              |

\*Shares of Shri Bipin Ranchodbhai Mehta are transmitted to Smt. Rekhaben Bipin Bhai Mehta w.e.f 01.11.2014.



**(iii) Change in Promoters' Shareholding**

|  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--|---|----------------------------------|---|----------------------------------|
|  | No. of Shares                             | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
| At the beginning of the year                       | 3,58,58,080                               | 63.82                            | 3,58,58,080                             | 63.82                            |
| Split of Shares - 26.09.2014                       | 7,17,16,160                               | 63.82                            | 7,17,16,160                             | 63.82                            |
| Sale of Shares by Smt. Rekhaben Mehta - 18.02.2015 | 5,20,762                                  | 0.44                             | 7,11,95,398                             | 60.15                            |
| At the end of the year                             | -   | -                                | 7,11,95,398                             | 60.15                            |

**Note:** Except the change mentioned above in the number of shares held by the Promoters of the Company, the percentage of the shareholding has changed during the year due to allotment of equity shares made under QIP on 10.12.2014.

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

| For each of the Top 10 Shareholder  | 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 |
| <b>1. HSBC BANK (MAURITIUS) LIMITED A/C JWALAMUKHI INVESTMENT HOLDINGS*</b> |   |                                  |   |                                  |
| Shares as at the beginning of the year                                      | 55,81,142                                 | 9.93                             | 55,81,142                               | 9.93                             |
| Purchase/Sale before split of shares  | -   | -                                | -                                       | -                                |
| Shares as on Split date - 26.09.2014  | 1,11,62,284                               | 9.93                             | 1,11,62,284                             | 9.93                             |
| Purchase/Sale after split of shares   | (44,70,000)                               | 3.98                             | 66,92,284                               | 5.95                             |
| Shares as on QIP allotment date - 10.12.2014                                | 66,92,284                                 | 5.65                             | 66,92,284                               | 5.65                             |
| Purchase/Sale after QIP   | -   | -                                | -                                       | -                                |
| Shares at the end of the year   | 66,92,284                                 | 5.65                             | 66,92,284                               | 5.65                             |
| <b>2. STEADVIEW CAPITAL MAURITIUS LIMITED*</b>                              |   |                                  |   |                                  |
| Shares as at the beginning of the year                                      | 8,99,299                                  | 1.60                             | 8,99,299                                | 1.60                             |
| Purchase/Sale before split of shares  | -   | -                                | -                                       | -                                |
| Shares as on Split date - 26.09.2014  | 17,98,598                                 | 1.60                             | 17,98,598                               | 1.60                             |
| Purchase/Sale after split of shares   | -   | -                                | -                                       | -                                |
| Shares as on QIP allotment date - 10.12.2014                                | 17,98,598                                 | 1.52                             | 17,98,598                               | 1.52                             |
| Purchase/Sale after QIP   | 3,68,761                                  | 0.31                             | 21,67,359                               | 1.83                             |
| Shares at the end of the year   | 21,67,359                                 | 1.83                             | 21,67,359                               | 1.83                             |
| <b>3. MITEN MEHTA*</b>  |   |                                  |   |                                  |
| Shares as at the beginning of the year                                      | 7,50,000                                  | 1.33                             | 7,50,000                                | 1.33                             |
| Purchase/Sale before split of shares  | -   | -                                | -                                       | -                                |
| Shares as on Split date - 26.09.2014  | 15,00,000                                 | 1.33                             | 15,00,000                               | 1.33                             |
| Purchase/Sale after split of shares   | -   | -                                | -                                       | -                                |
| Shares as on QIP allotment date - 10.12.2014                                | 15,00,000                                 | 1.26                             | 15,00,000                               | 1.26                             |
| Purchase/Sale after QIP   | (3,00,000)                                | 0.25                             | 12,00,000                               | 1.01                             |
| Shares at the end of the year   | 12,00,000                                 | 1.01                             | 12,00,000                               | 1.01                             |
| <b>4. MASSACHUSETTS INSTITUTE OF TECHNOLOGY - SCM</b>                       |   |                                  |   |                                  |
| Shares as at the beginning of the year                                      | 6,09,136                                  | 1.08                             | 6,09,136                                | 1.08                             |
| Purchase/Sale before split of shares  | -   | -                                | -                                       | -                                |
| Shares as on Split date - 26.09.2014  | 12,18,272                                 | 1.08                             | 12,18,272                               | 1.08                             |
| Purchase/Sale after split of shares   | -   | -                                | -                                       | -                                |
| Shares as on QIP allotment date - 10.12.2014                                | 12,18,272                                 | 1.03                             | 12,18,272                               | 1.03                             |
| Purchase/Sale after QIP   | (12,18,272)                               | 1.03                             | -                                       | -                                |
| Shares at the end of the year   | -   | -                                | -                                       | -                                |

| <b>For each of the<br/>Top 10 Shareholder</b>                 | <b>Shareholding at<br/>the beginning of the year</b> |   | <b>Cumulative Shareholding<br/>during the year</b> |   |
|---|--|---|--|---|
|   | <b>No. of<br/>Shares</b>                             | <b>% of total shares<br/>of the Company</b> | <b>No. of<br/>Shares</b>                           | <b>% of total shares<br/>of the Company</b> |
| <b>5. LTR FOCUS FUND*</b>                                     |  |   |  |   |
| Shares as at the beginning of the year                        | 5,64,866   | 1.00  | 5,64,866   | 1.00  |
| Purchase/Sale before split of shares                          | (644)  | 0.00  | 5,64,222   | 1.00  |
| Shares as on Split date - 26.09.2014                          | 11,28,444  | 1.00  | 11,28,444  | 1.00  |
| Purchase/Sale after split of shares                           | -  | -   | -  | -   |
| Shares as on QIP allotment date - 10.12.2014                  | 11,28,444  | 0.95  | 11,28,444  | 0.95  |
| Purchase/Sale after QIP                                       | 79,860   | 0.07  | 12,08,304  | 1.02  |
| Shares at the end of the year                                 | 12,08,304  | 1.02  | 12,08,304  | 1.02  |
| <b>6. CITI GROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED</b> |  |   |  |   |
| Shares as at the beginning of the year                        | 5,26,370   | 0.94  | 5,26,370   | 0.94  |
| Purchase/Sale before split of shares                          | -  | -   | -  | -   |
| Shares as on Split date - 26.09.2014                          | 10,52,740  | 0.94  | 10,52,740  | 0.94  |
| Purchase/Sale after split of shares                           | (10,52,740)  | 0.94  | -  | -   |
| Shares as on QIP allotment date - 10.12.2014                  | -  | -   | -  | -   |
| Purchase/Sale after QIP                                       | -  | -   | -  | -   |
| Shares at the end of the year                                 | -  | -   | -  | -   |
| <b>7. MAHENDRA KUMAR KHETSHI SHAH</b>                         |  |   |  |   |
| Shares as at the beginning of the year                        | 3,77,500   | 0.67  | 3,77,500   | 0.67  |
| Purchase/Sale before split of shares                          | (1,99,060)   | 0.35  | 1,78,440   | 0.31  |
| Shares as on Split date - 26.09.2014                          | 3,56,880   | 0.32  | 3,56,880   | 0.32  |
| Purchase/Sale after split of shares                           | 120  | 0.00  | 3,57,000   | 0.30  |
| Shares as on QIP allotment date - 10.12.2014                  | 3,57,000   | 0.30  | 3,57,000   | 0.30  |
| Purchase/Sale after QIP                                       | 100  | 0.00  | 3,57,100   | 0.30  |
| Shares at the end of the year                                 | 3,57,100   | 0.30  | 3,57,100   | 0.30  |
| <b>8. PREMIER INVESTMENT FUND LIMITED</b>                     |  |   |  |   |
| Shares as at the beginning of the year                        | 3,76,077   | 0.67  | 3,76,077   | 0.67  |
| Purchase/Sale before split of shares                          | (90,000)   | 0.16  | 2,86,077   | 0.51  |
| Shares as on Split date - 26.09.2014                          | 5,72,154   | 0.51  | 5,72,154   | 0.51  |
| Purchase/Sale after split of shares                           | -  | -   | -  | -   |
| Shares as on QIP allotment date - 10.12.2014                  | 5,72,154   | 0.48  | 5,72,154   | 0.48  |
| Purchase/Sale after QIP                                       | 12,877   | 0.01  | 5,85,031   | 0.49  |
| Shares at the end of the year                                 | 5,85,031   | 0.49  | 5,85,031   | 0.49  |
| <b>9. URJITA J MASTER</b>                                     |  |   |  |   |
| Shares as at the beginning of the year                        | 3,74,000   | 0.66  | 3,74,000   | 0.66  |
| Purchase/Sale before split of shares                          | (37,750)   | 0.07  | 3,36,250   | 0.60  |
| Shares as on Split date - 26.09.2014                          | 6,72,500   | 0.60  | 6,72,500   | 0.60  |
| Purchase/Sale after split of shares                           | 500  | 0.00  | 6,73,000   | 0.60  |
| Shares as on QIP allotment date - 10.12.2014                  | 6,73,000   | 0.57  | 6,73,000   | 0.57  |
| Purchase/Sale after QIP                                       | 2,270  | 0.00  | 6,75,270   | 0.57  |
| Shares at the end of the year                                 | 6,75,270   | 0.57  | 6,75,270   | 0.57  |
| <b>10. ASHISH KACHOLIA</b>                                    |  |   |  |   |
| Shares as at the beginning of the year                        | 3,67,962   | 0.65  | 3,67,962   | 0.65  |
| Purchase/Sale before split of shares                          | (92,962)   | 0.17  | 2,75,000   | 0.49  |
| Shares as on Split date - 26.09.2014                          | 5,50,000   | 0.49  | 5,50,000   | 0.49  |
| Purchase/Sale after split of shares                           | (2,41,500)   | 0.21  | 3,08,500   | 0.27  |
| Shares as on QIP allotment date - 10.12.2014                  | 3,08,500   | 0.26  | 3,08,500   | 0.26  |
| Purchase/Sale after QIP                                       | (3,08,500)   | 0.26  | -  | -   |
| Shares at the end of the year                                 | -  | -   | -  | -   |



| For each of the<br>Top 10 Shareholder  | Shareholding at<br>the beginning of the year |                                     | Cumulative Shareholding<br>during the year |                                     |
|--|--|-------------------------------------|--|-------------------------------------|
|  | No. of<br>Shares                             | % of total shares<br>of the Company | No. of<br>Shares                           | % of total shares<br>of the Company |
| <b>11. TREE LINE ASIA MASTER FUND (SINGAPORE) PTE LTD*</b>                                       |  |                                     |  |                                     |
| Shares as at the beginning of the year   | -  | -                                   | -  | -                                   |
| Purchase/Sale before split of shares   | -  | -                                   | -  | -                                   |
| Shares as on Split date - 26.09.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after split of shares  | -  | -                                   | -  | -                                   |
| Shares as on QIP allotment date - 10.12.2014   | 26,30,000                                    | 2.22                                | 26,30,000                                  | 2.22                                |
| Purchase/Sale after QIP  | -  | -                                   | -  | -                                   |
| Shares at the end of the year  | 26,30,000                                    | 2.22                                | 26,30,000                                  | 2.22                                |
| <b>12. IDFC PREMIER EQUITY FUND*</b>   |  |                                     |  |                                     |
| Shares as at the beginning of the year   | -  | -                                   | -  | -                                   |
| Purchase/Sale before split of shares   | -  | -                                   | -  | -                                   |
| Shares as on Split date - 26.09.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after split of shares  | -  | -                                   | -  | -                                   |
| Shares as on QIP allotment date - 10.12.2014   | 22,42,174                                    | 1.89                                | 22,42,174                                  | 1.89                                |
| Purchase/Sale after QIP  | -  | -                                   | -  | -                                   |
| Shares at the end of the year  | 22,42,174                                    | 1.89                                | 22,42,174                                  | 1.89                                |
| <b>13. AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LONG TERM EQUITY FUND*</b> |  |                                     |  |                                     |
| Shares as at the beginning of the year   | 2,44,268                                     | 0.43                                | 2,44,268                                   | 0.43                                |
| Purchase/Sale before split of shares   | 1,65,378                                     | 0.29                                | 4,09,646                                   | 0.73                                |
| Shares as on Split date - 26.09.2014   | 8,19,292                                     | 0.73                                | 8,19,292                                   | 0.73                                |
| Purchase/Sale after split of shares  | 4,31,050                                     | 0.38                                | 1,250,342                                  | 1.11                                |
| Shares as on QIP allotment date - 10.12.2014   | 12,50,342                                    | 1.06                                | 12,50,342                                  | 1.06                                |
| Purchase/Sale after QIP  | 50,000                                       | 0.04                                | 13,00,342                                  | 1.10                                |
| Shares at the end of the year  | 13,00,342                                    | 1.10                                | 13,00,342                                  | 1.10                                |
| <b>14. ABG CAPITAL*</b>  |  |                                     |  |                                     |
| Shares as at the beginning of the year   | -  | -                                   | -  | -                                   |
| Purchase/Sale before split of shares   | -  | -                                   | -  | -                                   |
| Shares as on Split date - 26.09.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after split of shares  | -  | -                                   | -  | -                                   |
| Shares as on QIP allotment date - 10.12.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after QIP  | 12,98,132                                    | 1.10                                | 12,98,132                                  | 1.10                                |
| Shares at the end of the year  | 12,98,132                                    | 1.10                                | 12,98,132                                  | 1.10                                |
| <b>15. DSP BLACKROCK 3 YEARS CLOSE ENDED EQUITY FUND*</b>  |  |                                     |  |                                     |
| Shares as at the beginning of the year   | -  | -                                   | -  | -                                   |
| Purchase/Sale before split of shares   | -  | -                                   | -  | -                                   |
| Shares as on Split date - 26.09.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after split of shares  | -  | -                                   | -  | -                                   |
| Shares as on QIP allotment date - 10.12.2014   | 6,60,000                                     | 0.56                                | 6,60,000                                   | 0.56                                |
| Purchase/Sale after QIP  | 3,91,956                                     | 0.33                                | 10,51,956                                  | 0.89                                |
| Shares at the end of the year  | 10,51,956                                    | 0.89                                | 10,51,956                                  | 0.89                                |
| <b>16. DSP BLACKROCK MICRO CAP FUND*</b>   |  |                                     |  |                                     |
| Shares as at the beginning of the year   | -  | -                                   | -  | -                                   |
| Purchase/Sale before split of shares   | -  | -                                   | -  | -                                   |
| Shares as on Split date - 26.09.2014   | -  | -                                   | -  | -                                   |
| Purchase/Sale after split of shares  | -  | -                                   | -  | -                                   |
| Shares as on QIP allotment date - 10.12.2014   | 8,64,353                                     | 0.73                                | 8,64,353                                   | 0.73                                |
| Purchase/Sale after QIP  | 16,765                                       | 0.01                                | 8,81,118                                   | 0.74                                |
| Shares at the end of the year  | 8,81,118                                     | 0.74                                | 8,81,118                                   | 0.74                                |

Note : 1) \* Shareholders from Serial Number 11 to 16 are additionally covered in top 10 shareholders as on 31.03.2015

2) # Common top 10 shareholders as on 01.04.2014 and 31.03.2015

3) Except the change mentioned above in the number of shares held by the Top 10 shareholders of the Company. The percentage of the shareholding has changed during the year due to Split of equity shares and due to allotment of equity shares to QIP made during the year.



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

| For each of the Directors and KMP | Shareholding at the beginning of the year |                                  | Purchase / (Sale) during the year | Shareholding at the end of the year |                                  |
|-----------------------------------|---|----------------------------------|-----------------------------------|-------------------------------------|----------------------------------|
|                                   | No. of Shares                             | % of total shares of the Company |                                   | No. of Shares                       | % of total shares of the Company |
| Mr. Sandeep P Engineer            | 1,18,35,705                               | 21.06                            | -                                 | 2,36,71,410                         | 20.00                            |
| Mrs. Jagruti S. Engineer          | 45,71,705                                 | 8.14                             | -                                 | 91,43,410                           | 7.72                             |
| Mr. K. R. Shenoy                  | Nil                                       | Nil                              | -                                 | Nil                                 | Nil                              |
| Mr. Pradip N. Desai               | 2,02,572                                  | 0.36                             | -                                 | 4,05,144                            | 0.34                             |
| Mr. Kyle A. Thompson              | Nil                                       | Nil                              | -                                 | Nil                                 | Nil                              |
| Mr. Anil Kumar Jani *             | N.A                                       | N.A                              | -                                 | 1,120                               | 0.00                             |
| Mr. Narasinh K. Balgi *           | N.A                                       | N.A                              | -                                 | 2,530                               | 0.002                            |
| Mr. Hiranand Savlani §            | 57,500                                    | 0.10                             | (14,200)                          | 1,00,800                            | 0.08                             |
| Ms. Zankhana Trivedi ®            | Nil                                       | Nil                              | -                                 | N.A                                 | N.A                              |
| Mr. Amish Shah ®                  | N.A                                       | N.A                              | -                                 | N.A                                 | N.A                              |
| Mr. Krunal Bhatt ®                | N.A                                       | N.A                              | -                                 | Nil                                 | Nil                              |

**Note :** Except the change mentioned above, the shareholding has changed due to split of shares from ₹2 per share to ₹1 per share w.e.f 26.09.2014.

\* N.A as Mr. Narasinh K. Balgi and Mr. Anil Kumar Jani were appointed as directors w.e.f 28.01.2015.

® N.A as Ms. Zankhana Trivedi resigned as Company Secretary w.e.f 1.10.14. Mr. Amish Shah was appointed as Company Secretary from the same date. Upon resignation of Mr. Amish Shah w.e.f 31.01.15, Mr. Krunal Bhatt was appointed as Company Secretary w.e.f 2.2.15.

§ Mr. Hiranand Savlani sold the shares during 29.12.14 to 1.1.15.

**V. INDEBTEDNESS:**

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

(₹ In Lacs)

| Particulars  | Secured Loans      | Unsecured      | Deposits | Total            |
|--|--------------------|----------------|----------|------------------|
|  | excluding deposits | Loans          |          | Indebtedness     |
| <b>Indebtedness at the beginning of the financial year</b> |                    |                |          |                  |
| i) Principal Amount  | 13,048.58          | 600.00         | -        | 13,648.58        |
| ii) Interest due but not paid                              | 18.75              | -              | -        | 18.75            |
| iii) Interest accrued but not due                          | 26.75              | 0.50           | -        | 27.25            |
| <b>Total (i+ii+iii)</b>                                    | <b>13,094.08</b>   | <b>600.50</b>  | -        | <b>13,694.58</b> |
| <b>Change in Indebtedness during the financial year</b>    |                    |                |          |                  |
| • Addition   | 8,052.18           | -              | -        | 8,052.18         |
| • Reduction  | 5,013.48           | 600.00         | -        | 5,613.48         |
| <b>Net Change</b>  | <b>3,038.70</b>    | <b>-600.00</b> | -        | <b>2,438.70</b>  |
| <b>Indebtedness at the end of the financial year</b>       |                    |                |          |                  |
| i) Principal Amount  | 16,087.28          | -              | -        | 16,087.28        |
| ii) Interest due but not paid                              | 42.22              | -              | -        | 42.22            |
| iii) Interest accrued but not due                          | 51.85              | -              | -        | 51.85            |
| <b>Total (i+ii+iii)</b>                                    | <b>16,181.35</b>   | -              | -        | <b>16,181.35</b> |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ In Lacs)

| Sr. No.  | Name of Directors<br>Particulars of Remuneration                                   | Mr. Sandeep P. Engineer<br>Managing Director | Mrs. Jagruti S. Engineer<br>Whole time Director | Total Amount  |
|--|--|--|---|---------------|
| 1  | Gross salary   | 142.85                                       | 41.00   | 183.85        |
|  | a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil  | Nil   | Nil           |
|  | b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil  | Nil   | Nil           |
|  | c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | Nil  | Nil   | Nil           |
| 2  | Stock Option -   | Nil  | Nil   | Nil           |
| 3  | Sweat Equity   | Nil  | Nil   | Nil           |
| 4  | Commission   |  |   |               |
|  | - as % of profit   | Nil  | Nil   | Nil           |
|  | - others, specify  | Nil  | Nil   | Nil           |
| 5  | Others (Incentive)   | 96.25  | Nil   | 96.25         |
| <b>Total (A)</b>   |  | <b>239.10</b>                                | <b>41.00</b>                                    | <b>280.10</b> |
| Ceiling as per the Act (10% of profit calculated u/s 198 of the Act) |  |  |   | 979.91        |

### B. Remuneration to other Directors:

(₹ In Lacs)

| Sr. No.  | Particulars of Remuneration          | Fee for attending board / committee meetings | Commission | Others, please specify (Remuneration) | Total Amount  |
|--|--------------------------------------|--|------------|---------------------------------------|---------------|
| 1  | <b>Independent Directors</b>         |  |            |                                       |               |
|  | Mr. K.R. Shenoy                      | 1.70   | Nil        | 0.50                                  | 2.20          |
|  | Mr. Pradip Desai                     | Nil  | Nil        | Nil                                   | Nil           |
|  | Mr. Narasinh K. Balgi                | Nil  | Nil        | Nil                                   | Nil           |
| Total (1)  |                                      | 1.70   | Nil        | 0.50                                  | 2.20          |
| 2  | <b>Other Non-Executive Directors</b> |  |            |                                       |               |
|  | Mr. Kyle Thompson                    | Nil  | Nil        | Nil                                   | Nil           |
|  | Mr. Anil Kumar Jani                  | Nil  | Nil        | Nil                                   | Nil           |
|  | Total (2)                            | Nil  | Nil        | Nil                                   | Nil           |
| <b>Total B = (1+2)</b>   |                                      | <b>1.70</b>                                  | <b>Nil</b> | <b>0.50</b>                           | <b>2.20</b>   |
| Ceiling as per the Act (1% of profit calculated u/s 198 of the Act)          |                                      |  |            |                                       | 97.99         |
| <b>Total Managerial Remuneration (A+B)</b>                                   |                                      |  |            |                                       | <b>282.30</b> |
| Overall Ceiling as per the Act (11% of profit calculated u/s 198 of the Act) |                                      |  |            |                                       | 1077.90       |

### C. Remuneration to key managerial personnel other than MD/manager/WTD

(₹ In Lacs)

| Sr. No.          | Name of KMPs<br>Particulars of Remuneration  | Mr. Hiranand Savlani<br>Chief Financial Officer | Ms. Zankhana Trivedi*<br>Company Secretary | Mr. Amish Shah*<br>Company Secretary | Mr. Krunal Bhatt*<br>Company Secretary | Total        |
|------------------|--|---|--|--------------------------------------|--|--------------|
| 1                | Gross salary   | 38.93   | 1.40                                       | 3.51                                 | 1.99                                   | 45.83        |
|                  | a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -   | -  | -                                    | -                                      | -            |
|                  | b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -   | -  | -                                    | -                                      | -            |
|                  | c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -   | -  | -                                    | -                                      | -            |
| 2                | Stock Option   | -   | -  | -                                    | -                                      | -            |
| 3                | Sweat Equity   | -   | -  | -                                    | -                                      | -            |
| 4                | Commission   | -   | -  | -                                    | -                                      | -            |
|                  | - as % of profit   | -   | -  | -                                    | -                                      | -            |
|                  | - others, specify  | -   | -  | -                                    | -                                      | -            |
| 5                | Others, please specify   | -   | -  | -                                    | -                                      | -            |
| <b>Total (A)</b> |  | <b>38.93</b>                                    | <b>1.40</b>                                | <b>3.51</b>                          | <b>1.99</b>                            | <b>45.83</b> |

\*Ms. Zankhana Trivedi resigned as Company Secretary w.e.f 1<sup>st</sup> October, 2014. Mr. Amish Shah was appointed as Company Secretary from the same date. Upon resignation of Mr. Amish Shah w.e.f 31<sup>st</sup> January, 2015, Mr. Krunal Bhatt was appointed as Company Secretary w.e.f 2<sup>nd</sup> February, 2015.


**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) |
|-------------------------------------|------------------------------|-------------------|--|------------------------------|------------------------------------|
| <b>A. Company</b>                   |                              |                   |  |                              |                                    |
| Penalty                             |                              |                   |  |                              |                                    |
| Punishment                          |                              |                   | None   |                              |                                    |
| Compounding                         |                              |                   |  |                              |                                    |
| <b>B. Directors</b>                 |                              |                   |  |                              |                                    |
| Penalty                             |                              |                   |  |                              |                                    |
| Punishment                          |                              |                   | None   |                              |                                    |
| Compounding                         |                              |                   |  |                              |                                    |
| <b>C. Other Officers in default</b> |                              |                   |  |                              |                                    |
| Penalty                             |                              |                   |  |                              |                                    |
| Punishment                          |                              |                   | None   |                              |                                    |
| Compounding                         |                              |                   |  |                              |                                    |

**ANNEXURE-E****PARTICULARS OF EMPLOYEES**

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15.

| Sr. No. | Name of Director/KMP                            | Remuneration for FY 2014-15<br>₹ In Lacs) | % increase in remuneration in FY 2014-15 | Ratio of remuneration of each Director to median of remuneration of employees |
|---------|---|---|--|---|
| 1       | Mr. K R Shenoy<br>Independent Chairman          | 0.5                                       | Nil                                      | 0.22  |
| 2       | Mr. Sandeep P. Engineer<br>Managing Director    | 239.10                                    | 8.02                                     | 104.41  |
| 3       | Mrs. Jagruti S. Engineer<br>Whole Time Director | 41.00                                     | 38.98                                    | 17.90   |
| 4       | Mr. Kyle Thompson<br>Non- Executive Director    | Nil                                       | N.A                                      | N.A   |
| 5       | Mr. Anil Kumar Jani<br>Non- Executive Director  | Nil                                       | N.A                                      | N.A   |
| 6       | Mr. Pradip Desai<br>Independent Director        | Nil                                       | N.A                                      | N.A   |
| 7       | Mr. Narasinha K Balgi<br>Independent Director   | Nil                                       | N.A                                      | N.A   |
| 8       | Mr. Hiranand Savlani<br>Chief Financial Officer | 38.93                                     | 67.37                                    | 17.00   |
| 9       | Mr. Krunal Bhatt*<br>Company Secretary          | 1.99                                      | N.A                                      | 0.87  |
| 10      | Mr. Amish Shah#<br>Company Secretary            | 3.51                                      | N.A                                      | 1.53  |
| 11      | Ms. Zankhana Trivedi^<br>Company Secretary      | 1.40                                      | N.A                                      | 0.61  |

\* Appointed w.e.f 2<sup>nd</sup> February, 2015# Appointed w.e.f. 1<sup>st</sup> October, 2014 and resigned w.e.f. 31<sup>st</sup> January, 2015^ Resigned w.e.f.1<sup>st</sup> October, 2014

2. In the financial year, there was an increase of 17.40% in the median remuneration of employees.

3. There were 769 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2015.

4. Relationship between average increase in remuneration and company performance:

The Sale from operations of the Company for FY 2014-15 increased by 17% on standalone basis and 32% on consolidated basis. During the year Company has increased utilisation of its capacity by 16%. Increase in median remuneration during the financial year was 16.66%. The average increase in median remuneration was in line with the overall performance of the Company.

5. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The Sale from operations of the Company for FY 2014-15 increased by 17% on standalone basis and 32% on consolidated basis. During the year Company has increased utilisation of its capacity by 16%. The criteria for remuneration of managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the board of directors.



6. The market capitalisation of the Company increased by 102.42%, from ₹2618.75 Crores as at 31<sup>st</sup> March, 2014 to ₹5300.98 Crores as at 31<sup>st</sup> March, 2015. The price to earnings ratio increased by 9.48%, i.e. from 67.84 times as at 31<sup>st</sup> March, 2014 to 74.27 times as at 31<sup>st</sup> March, 2015.

In the year 2007, the Company came out with an Initial Public Offer (IPO) of equity shares of the face value of ₹10/- each at a premium of ₹105 per share aggregating to ₹34.17 Crores. The shares of the Company were split from face value of ₹10/- each to face value of ₹5/- each on 9<sup>th</sup> August, 2010 and from face value of ₹5/- each to ₹2/- each on 5<sup>th</sup> August, 2013 and from face value of ₹2/- each to ₹1/- each on 25<sup>th</sup> August, 2014.

The equity shares of the Company closed at ₹447.85 on National Stock Exchange of India Limited and at ₹443.10 on BSE Limited on 31<sup>st</sup> March, 2015, representing an increase of 3794% (based on NSE quote) since the date of IPO (after adjustment for split).

7. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 19.63% whereas the increase in the managerial remuneration for the same financial year was 10.98%.
8. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
9. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year  
– Not Applicable
10. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.



## **ANNEXURE-F**

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

Information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder.

#### **A. CONSERVATION OF ENERGY:**

##### **(i) Steps taken for conservation of energy:**

Energy conservation continues to be the key focus area of your Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture. Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. Major steps taken for energy conservation for FY 2014-15 including some of the proposed steps are as under:

- Installation of programmable timer based circuit in all streets light and is also shifting to LED lights in production area to reduce heat release to the atmosphere.
- The company had reduced diesel consumption and frequency of power failure due to separate cable laying and separate feeder in UGVCL sub station.
- Maintain proper air circulation inside the production area to regulate the heat released by the extruder units.
- Continuously we take necessary activities to educate and encourage employees to establish energy efficient practices.

##### **(ii) Steps taken by the Company for utilising alternate sources of energy:**

Solar energy is ultimately the source for many renewable and non-renewable energy sources. Energy from the sun is captured through a solar panel. A solar panel is typically made up of silicon. And silicon is the substance which absorbs sunlight and then changes it into electrical energy. And the energy you get costs nothing and are renewable.

In order to make maximum utilization of energy from sunlight, we are planning to set-up solar power panels which favors energy savings by more than 75%. Solar energy is free, clean and renewable source of energy and will also help to bring down electricity bill.

##### **(iii) The capital investment on energy conservation equipments:**

Your Company has invested ₹28 Lacs towards energy conservation equipments.

#### **B. TECHNOLOGY ABSORPTION:**

##### **(i) Efforts made towards technology absorption:**

Your Company lays considerable emphasis on quality maintenance and product enhancement. The Company is continuously trying to develop more and more products in its R & D Center. During the year under review, your Company has spent ₹45.65 Lacs for its ultramodern R & D center at its Plant located at Santej-near Ahmedabad and the Company now is in a position to carry out a lot of R & D activities in-house. Further yours is the only Company in India which has NSF approved Plant.

Following initiatives have been made towards technology, absorption, adaptation and innovation:

- Proposal for establishment of 66 KVA sub-station which will ensure continuous flow of power supply and thereby production activity.
- Thyristor-based extrusion panel instead of contactor base which need simplified maintenance and automatic regime, greatly reduces the heating consumption.

##### **(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

Your Company is exporting of the CPVC/PVC products to the developed markets. Your Company's efforts in quality, maintenance and product enhancement have resulted in development of products which provide better quality at a lower cost of production. Parallel to keeping and maintaining its existing assets, your Company is fit to deliver what market needs in terms of Quality, Cost and Delivery.

##### **(iii) Information regarding imported technology:**

Nil



**(iv) Expenditure on R & D:**

Your Company is regularly incurring R & D expenses. During the year under review, your Company has spent ₹45.65 Lacs on R & D expenses and the cost of equipment purchased for R & D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

| Expenditure on R & D                                    | ₹ In Lacs)   |
|---|--------------|
| (a) Capital Expenses                                    | 16.57        |
| (b) Revenue Expenses                                    | 29.08        |
| <b>Total (a+b)</b>                                      | <b>45.65</b> |
| (c) Total R & D expenditure as a percentage of turnover | 0.04         |

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

| Particulars                       | 2014-15   | 2013-14   |
|-----------------------------------|-----------|-----------|
| (a) Total Foreign Exchange Used   | 41,563.15 | 38,471.29 |
| (b) Total Foreign Exchange Earned | 1,742.98  | 1,913.72  |



## CORPORATE GOVERNANCE REPORT

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Your Company believes in adopting the best corporate governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of Shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of your Company.

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance shareholders value while complying with the applicable Rules and Regulations. We are in compliance with all the requirements of the Corporate Governance Code, enshrined in Clause 49 of the Listing Agreement.

### 2. BOARD OF DIRECTORS

#### Composition

The Board of your Company consists of 7(Seven) Directors as on 31<sup>st</sup> March, 2015, out of which 2(Two) are Executive Directors and 5(Five) are Non-executive Directors. The Chairman of the Board is a Non-Executive Independent Director and 1/3<sup>rd</sup> of the Board consists of Independent Directors. The Composition of the Board is in compliance with the requirements of Clause 49 of the Listing Agreement entered into with Stock Exchanges. No director is related to each other except Mrs. Jagruti S. Engineers. who is the spouse of Mr. Sandeep P. Engineer. All the Directors have certified that they are not members of more than 10(Ten) Committees and do not act as Chairman of more than 5(Five) Committees across all the Companies in which they are Directors.

The composition of the Board of Directors as on 31<sup>st</sup> March, 2015 is as follows:

| Name of Director           | Category                | Total No. of Other Directorship* | Details of Committees# |        |
|----------------------------|-------------------------|----------------------------------|------------------------|--------|
|                            |                         |                                  | Chairman               | Member |
| Mr. K. R Shenoy            | Independent Chairman    | 1                                | 1                      | -      |
| Mr. Sandeep P. Engineer    | Managing Director       | 4                                | -                      | 1      |
| Mrs. Jagruti S. Engineer   | Whole Time Director     | 1                                | -                      | -      |
| Mr. Kyle A. Thompson       | Non- Executive Director | -                                | -                      | -      |
| Mr. Anil Kumar Jani        | Non- Executive Director | 1                                | -                      | -      |
| Mr. Pradip N. Desai        | Independent Director    | 3                                | -                      | 1      |
| Mr. Narasinh Krishna Balgi | Independent Director    | 3                                | -                      | -      |

\* Other directorship do not include directorship in foreign companies.

# membership/chairmanship in committees include membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee of Boards of other companies.

#### Dates of Board Meetings and Attendance at the Board Meetings and the last Annual General Meeting

During the Financial Year 2014-15, the Board of Directors of your Company met 7(Seven) times on 03/05/2014, 18/07/2014, 25/08/2014, 27/10/2014, 21/11/2014, 08/12/2014, and 28/01/2015. The details of attendance of each Director at Board Meetings held in the Financial Year and the last Annual General Meeting are as under:

| Name of Director             | Dates of Board Meetings and Attendance of each director at Board Meeting |            |            |            |            |            |            | Attendance at the last AGM held on 25 <sup>th</sup> August, 2014 |
|------------------------------|--|------------|------------|------------|------------|------------|------------|--|
|                              | 03/05/2014   | 18/07/2014 | 25/08/2014 | 27/10/2014 | 21/11/2014 | 08/12/2014 | 28/01/2015 |  |
| Mr. K. R. Shenoy             | Yes  | Yes        | Yes        | Yes        | No         | Yes        | Yes        | 6 Yes  |
| Mr. Sandeep P. Engineer      | Yes  | Yes        | Yes        | Yes        | Yes        | Yes        | Yes        | 7 Yes  |
| Mrs. Jagruti S. Engineer     | Yes  | Yes        | Yes        | Yes        | Yes        | Yes        | Yes        | 7 Yes  |
| Mr. Kyle A. Thompson         | No   | No         | No         | No         | No         | Yes        | No         | 1 No   |
| Mr. Pradip N. Desai          | Yes  | Yes        | Yes        | Yes        | No         | Yes        | Yes        | 6 Yes  |
| Mr. Narasinh Krishna Balgi * | N.A  | N.A        | N.A        | N.A        | N.A        | N.A        | Yes        | 1 N.A  |
| Mr. Anil Kumar Jani *        | N.A  | N.A        | N.A        | N.A        | N.A        | N.A        | Yes        | 1 N.A  |

\* Appointed w.e.f 28/01/2015.

### **Code of Conduct for Board & Senior Management Personnel**

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website [www.astralpipes.com](http://www.astralpipes.com).

#### **Profile of Directors seeking appointment / re-appointment:**

Mrs. Jagruti S. Engineer, by qualification is Bachelor of Arts (B.A.) and she is the Promoter Director of the Company. She has been managing the Administration and Human Resource Departments of the Company since 2006 and has contributed significantly towards the growth of the Company and her services are indispensable. She is also director of Resinova Chemie Ltd., Seal IT Services Ltd., UK and Calder Distribution Ltd., UK. She holds 91,43,410 equity shares of the Company.

Brief profile of other directors seeking appointment/re-appointment viz. Mr. Anil Kumar Jani, Mr. Narasinha Krishna Balgi and Mr. Sandeep P. Engineer is included in the explanatory statement to the notice of Annual General Meeting.

### **3. COMMITTEES OF THE BOARD**

#### **(i) AUDIT COMMITTEE**

##### **Composition, meetings and attendance**

The Audit Committee of your Company has been constituted as per the requirements of Section 177 of the Companies Act 2013 and Clause 49 of the Listing Agreement. The Chairman of the Audit Committee is an Independent Director and two-thirds of the members of the Audit Committee are Independent Directors. During the Financial Year 2014-15, the Committee met 6 (Six) times on 03/05/2014, 18/07/2014, 25/08/2014, 27/10/2014, 21/11/2014 and 28/01/2015.

The composition of the Audit Committee as on 31<sup>st</sup> March, 2015 and the attendance of the members in the meetings held during the Financial Year 2014-15 are as follows:

| Name of Member          | Designation | No. of meetings attended |
|-------------------------|-------------|--------------------------|
| Mr. K. R. Shenoy        | Chairman    | 6                        |
| Mr. Sandeep P. Engineer | Member      | 5                        |
| Mr. Pradip N. Desai     | Member      | 6                        |

The Company Secretary of the Company acted as the Secretary to the Committee.

##### **Terms of Reference:**

The broad terms of reference of the Audit Committee include the following as has been mandated in Section 177 of Companies Act, 2013 and Clause 49 of Listing Agreement:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in Accounting Policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management;
  - (iv) Significant adjustments made in the financial statements arising out of Audit findings;
  - (v) Compliance with Listing and other Legal requirements relating to the financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Qualifications in the draft Audit Report;
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.



- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit;
- Discussions with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management ;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The Chief Financial Officer and the representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee.

## **(ii) STAKEHOLDERS' RELATIONSHIP COMMITTEE**

### **Composition, meetings and attendance**

The Stakeholders' Relationship Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act 2013 and the Clause 49 of the Listing Agreement. The Chairman of the Committee is an Independent Director. During the Financial Year 2014-15, the Committee met 4 (Four) times on 03/05/2014, 18/07/2014, 27/10/2014 and 28/01/2015.

The composition of the Stakeholder's Relationship Committee as on 31<sup>st</sup> March, 2015 and the attendance of the members in the meetings held during the Financial Year 2014-15 are as follows:

| Name of Member          | Designation | No. of meetings attended |
|-------------------------|-------------|--------------------------|
| Mr. K. R. Shenoy        | Chairman    | 4                        |
| Mr. Sandeep P. Engineer | Member      | 4                        |
| Mr. Pradip N. Desai     | Member      | 4                        |

The Company Secretary of the Company acted as the Secretary to the Committee.

### **Terms of Reference:**

- Efficient transfer of shares, including review of cases for refusal of transfer/ transmission of Shares and Debentures, demat/ remat of shares.
- Redressal of Shareholder and Investor complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.;
- Issue of new / duplicate / split / consolidated Share Certificates;
- Allotment of Shares;
- Review of cases for refusal of transfer / transmission of Shares and Debentures;
- Reference to Statutory and Regulatory authorities regarding Investor Grievances; and
- To otherwise ensure proper and timely attendance and redressal of Investor's queries and Grievances.

**Status of Investors' complaints:**

The status of Investor's complaints as on 31<sup>st</sup> March, 2015 is as follows:

|   |     |
|---|-----|
| Number of complaints as on 1 <sup>st</sup> April, 2014                              | NIL |
| Number of complaints received during the year ended on 31 <sup>st</sup> March, 2015 | 9   |
| Number of complaints resolved up to 31 <sup>st</sup> March, 2015                    | 9   |
| Number of complaints pending as on 31 <sup>st</sup> March, 2015                     | NIL |

The complaints received were mainly in the nature of non-receipt of Annual Report and non-receipt of dividend warrants. There were no pending requests for transfer of shares of the Company as on 31<sup>st</sup> March, 2015.

**Name and Designation of Compliance Officer:**

Mr. Krunal Bhatt, Company Secretary, is the Compliance Officer of the Company.

**(iii) NOMINATION AND REMUNERATION COMMITTEE**
**Composition, meetings and attendance**

The Nomination and Remuneration Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act 2013 and the Clause 49 of the Listing Agreement. The Chairman of the Committee is an Independent Director. During the Financial Year 2014-15, the Committee met 4 (Four) times on 18/07/2014, 25/08/2014, 27/10/2014 and 28/01/2015.

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2015 and the attendance of the members in the meetings held during the Financial Year 2014-15 are as follows:

| Name of Member       | Designation | No. of meetings attended |
|----------------------|-------------|--------------------------|
| Mr. Pradip N. Desai  | Chairman    | 4                        |
| Mr. K. R. Shenoy     | Member      | 4                        |
| Mr. Kyle A. Thompson | Member      | NIL                      |

The Company Secretary of the Company acted as the Secretary to the Committee.

**Terms of Reference:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and carry our evaluation of every director's performance;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**Remuneration Policy:**

Remuneration Policy of your Company has been designed to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/Employees of the quality required to run the Company successfully and Relationship of remuneration to performance is clear and meets appropriate performance benchmarks. Remuneration policy of the Company has been uploaded on the Company's website and can be accessed at [http://astralpipes.com/SystemUpload/InvestorRelationPDF/114\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/114_L.pdf) Salient features of the policy on remuneration of executive and non-executive directors are as under:

**• Executive Directors :**

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Whole Time Director. The total remuneration to the Managing Director comprises fixed component consisting of salary and perquisites in accordance with Company's policy and a profit linked incentive. The said remuneration is approved by the members in the next Annual General Meeting the Company.

**• Non – Executive Directors:**

Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings, plus the reimbursement of actual expense directly related to the travel and out-of-pocket expenses, if any, incurred by them.



Details of remuneration and pecuniary benefits to the Directors during FY 2014-15:

(₹ in Lacs)

| Name of the Director       | Salary/<br>Remuneration | Perquisites | Sitting Fees | Incentive    | Total        |
|----------------------------|-------------------------|-------------|--------------|--------------|--------------|
| Mr. K. R. Shenoy           | 0.50                    | NIL         | 1.70         | -            | 2.20         |
| Mr. Sandeep P. Engineer    | 142.85                  | NIL         | NIL          | 96.25        | 239.10       |
| Mrs. Jagruti S. Engineer   | 41.00                   | NIL         | NIL          | -            | 41.00        |
| Mr. Kyle A. Thompson       | NIL                     | NIL         | NIL          | -            | NIL          |
| Mr. Anil KumarJani         | NIL                     | NIL         | NIL          | -            | NIL          |
| Mr. Pradip N. Desai        | NIL                     | NIL         | NIL          | -            | NIL          |
| Mr. Narasinh Krishna Balgi | NIL                     | NIL         | NIL          | -            | NIL          |
| <b>Total</b>               | <b>184.35</b>           | <b>NIL</b>  | <b>1.70</b>  | <b>96.25</b> | <b>282.3</b> |

Notes:

- (i) There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis Company.
- (ii) The Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee of the Board at its meeting held on 27<sup>th</sup> October, 2014 approved the re-appointment of Mr. Sandeep P. Engineer as Managing Director of the Company w.e.f. 1<sup>st</sup> February, 2015 for a further period of 3 years subject to the approval of the members of the Company at the ensuing Annual General Meeting.
- (iii) The Members of the Company at their Annual General Meeting held on 25<sup>th</sup> August, 2014 had approved the re-appointment of Mrs. Jagruti Engineer as the Whole Time Director of the Company w.e.f. 1<sup>st</sup> May, 2014 for a period of 3 years.
- (iv) The Managing Director shall be entitled to an incentive payment at the rate of 1% (One percent) of Profit Before Tax of the Company in addition to the salary, increment and reimbursement of expenses.  
None of the Directors except the Managing Director is entitled to such an Incentive.
- (v) No Stock Option Schemes have been introduced by the Company during the year.

#### The shareholding of Directors as on the 31<sup>st</sup> March, 2015 is as under:

| Sr. No. | Name of Director                    | Shareholding | %    |
|---------|-------------------------------------|--------------|------|
| 1       | Mr. K. R. Shenoy                    | Nil          | Nil  |
| 2       | Mr. Sandeep P. Engineer             | 2,36,71,410  | 20   |
| 3       | Mrs. Jagruti S. Engineer            | 91,43,410    | 7.72 |
| 4       | Mr. Kyle A. Thompson                | Nil          | Nil  |
| 5       | Mr. Anil Kumar Jani                 | 1,120        | 0.00 |
| 6       | Mr. Pradip N. Desai (including HUF) | 4,05,144     | 0.34 |
| 7       | Mr. Narasinh Krishna Balgi          | 2,530        | 0.00 |

#### Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Committee has carried out the annual performance evaluation of Directors and Key Managerial Personnel. The Board of Directors also carried out annual performance evaluation of Independent Directors and Committees of the Board. Performance evaluation was carried out based on approved criteria such as adherence to ethical standards and code of conduct, constructive participation in board meetings, Implementing good corporate governance practices etc. The Directors expressed their satisfaction with the evaluation process.

The independent directors also held separate meeting to review the performance of Non-independent Directors and overall performance of the board.

#### 4. GENERAL BODY MEETINGS

The details of last three Annual General Meetings of the Company are as follows:

| Financial Year | Date-Time-Venue  |
|----------------|--|
| 2013-14        | 25 <sup>th</sup> August, 2014 at 11.00 a.m. at Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380059. |
| 2012-13        | 5 <sup>th</sup> August, 2013 at 11.00 a.m. at Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380059.  |
| 2011-12        | 13 <sup>th</sup> August, 2012 at 11.00 a.m. at Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380059. |

### Details of special resolutions passed in Previous Three AGMs.

Details of the Special Resolutions passed in last three Annual General Meetings are as follow:

| Financial Year | Particulars of Special Resolutions passed   |
|----------------|---|
| 2013-14        | To consider and approve Sub-division (Stock-Split) of the Face Value of Equity Shares of the Company.<br>To consider and approve Related Party Transactions.<br>To consider and approve Raising of Long Term Funds. |
| 2012-13        | NIL   |
| 2011-12        | Appointment of Mr. Kairav S. Engineer, Son of Mr. Sandeep Engineer and Mrs. Jagruti Engineer, the Directors of the Company, as the Manager- Business Development of the Company.                                    |

No Extra Ordinary General Meeting was held during the Financial Year 2014-15.

### Special Resolutions passed through Postal Ballot:

Details of special resolution passed by postal ballot during FY 2014-15 and details of voting is provided as under:

| Date of Postal Ballot Notice       | Description  | % of votes in favor of resolution | Date of declaration of result     | Scrutinizer conducting postal ballot                  |
|------------------------------------|--|-----------------------------------|-----------------------------------|---|
| 21 <sup>st</sup><br>November, 2014 | Increase FPI Limit Up To 45% of The Paid Up Equity Share Capital of The Company;   | 99.99                             | 27 <sup>th</sup><br>January, 2015 | Ms. Monica Kanuga,<br>Practicing Company<br>Secretary |
|                                    | Authorisation to the Board of Directors to borrow upto ₹250 crores over and above the paid up capital of the company and its free reserves:  | 99.94                             |                                   |   |
|                                    | Approval of creation of charge on the total assets of the company to secure its borrowings.  | 99.93                             |                                   |   |
|                                    | Making of loans or investments and to give guarantees or to provide security in connection with a loan made up to ₹250 crores over and above the paid up capital of the company and its free reserves, under section 186 of the companies Act, 2013. | 99.52                             |                                   |   |

## 5. DISCLOSURES

### (a) Disclosure on materially significant related party transactions

There were some related party transactions during the Financial Year 2014-15 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Accounting Standard – 18 are included in the notes to the accounts.

### (b) Details of non-compliance with regard to capital market

The Equity Shares of the Company got listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 20<sup>th</sup> March, 2007. The Company has complied with all the requirements of Listing Agreement as well as the Regulations and Guidelines prescribed by the Securities and Exchange Board of India (SEBI). The Company has complied with Clause 38 of the Listing Agreement with respect to payment of Listing fees to the Exchanges and Annual Custodial Fees to the Depositories for the year 2014-15.

There were no penalties imposed nor strictures passed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority on any matter related to Capital Markets during last year.

### (c) Disclosure of accounting treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2014-15.



**(d) Board disclosures – Risk Management**

The Board members of the Company are regularly appraised about the risk assessment and minimization procedures adopted by the Company. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing process and the Board members are periodically informed of the status.

**(e) Familiarisation Program of Independent Directors**

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company by providing various presentation at Board/ Committee meetings from time to time. The details of the familiarisation programmes can be accessed on the web link: [http://astralpipes.com/SystemUpload/InvestorRelationPDF/110\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/110_L.pdf)

**(f) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement**

The Company has complied with all the mandatory requirements as mandated under Clause 49 of Listing Agreement. A Certificate from the Statutory Auditors of the Company to this effect has been included in this Report.

**(g) Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. Whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at [http://astralpipes.com/SystemUpload/InvestorRelationPDF/107\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/107_L.pdf)

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**(h) Policy on “Material” Subsidiary**

The Company has Board approved policy on determining Material Subsidiary which can be accessed at [http://astralpipes.com/SystemUpload/InvestorRelationPDF/109\\_L.pdf](http://astralpipes.com/SystemUpload/InvestorRelationPDF/109_L.pdf)

**(i) Certification from CEO and CFO**

The requisite certificate from the Managing Director and Chief Financial Officer of the Company required to be given under Clause 49 was placed before the Board of Directors of the Company at its Meeting held on 28<sup>th</sup> May, 2015 and Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand A. Savlani, Chief Financial Officer of the Company, have certified to the Board that:

- (a) They have reviewed the Financial Statement and the Cash Flow Statement for the year 2014-15 and that to the best of their knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.
- (d) They have indicated to the Auditors and the Audit Committee:
  - (i) That there are no significant changes in the internal control over financial reporting during the year;
  - (ii) There are no significant changes in the Accounting Policies during the year, and
  - (iii) There are no instances of significant fraud of which they have become aware.

**6. MEANS OF COMMUNICATION TO SHAREHOLDERS**

**(a) Quarterly/Annual Results**

The Quarterly / Annual Results and Notices as required under Clause 41 of the Listing Agreement are normally published in the Leading Daily Newspaper "The Economic Times" in English and Local Language, i.e. Gujarati editions.

**(b) Posting of information on the website of the Company / Stock Exchanges**

- The Quarterly / Annual Results of the Company, Shareholding pattern, Code of Conduct for Board and Senior Management of the Company are displayed on the Company's website [www.astralpipes.com](http://www.astralpipes.com).
- The official news releases of the Company are displayed on the websites of BSE & NSE.
- The Presentations made to Institutional Investors/Analysts are displayed on the Company's website [www.astralpipes.com](http://www.astralpipes.com).



## 7. GENERAL SHAREHOLDERS' INFORMATION

### (a) Annual General Meeting (Proposed): Nineteenth Annual General Meeting:

|                     |  |
|---------------------|--|
| <b>Day and date</b> | 11 <sup>th</sup> August, 2015  |
| <b>Time</b>         | 10.00 a.m.   |
| <b>Venue</b>        | The Rajpath Banquet Hall, Rajpath Club, S.G. Highway, Ahmedabad-380 059. |

### (b) Financial Year 2014-15:

|                       |                     |
|-----------------------|---------------------|
| <b>Financial Year</b> | April 1 to March 31 |
|-----------------------|---------------------|

### (c) Board Meetings for approval of Quarterly Results

| <b>Quarter</b>                  | <b>Tentative Date of Announcement of Board Meeting [F.Y.2015-2016]</b> |
|---------------------------------|--|
| 1 <sup>st</sup> Quarter Results | On or before 14 <sup>th</sup> August, 2015                             |
| 2 <sup>nd</sup> Quarter Results | On or before 14 <sup>th</sup> November, 2015                           |
| 3 <sup>rd</sup> Quarter Results | On or before 14 <sup>th</sup> February , 2016                          |
| 4 <sup>th</sup> Quarter Results | On or before 30 <sup>th</sup> May, 2016                                |

Annual Results for financial year ended : Within 60 days of the close of financial Year ending on 31<sup>st</sup> March, 2016

Annual General Meeting for the year 2014-15 : In accordance with Section 96 of the Companies Act, 2013

### (d) Book Closure Date:

The Share Transfer Book and Register of Members will remain closed from 5<sup>th</sup> August, 2015 to 11<sup>th</sup> August, 2015 (Both days inclusive).

### (e) Dividend Payment date:

The Dividend, if declared, will be paid within the Statutory Time Limit to the eligible members of the Company.

### (f) Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the following Stock Exchanges in India since 20<sup>th</sup> March, 2007:

| <b>The BSE Limited (BSE)</b><br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort, Mumbai - 400 001 | <b>National Stock Exchange of India Limited (NSE)</b><br>"Exchange Plaza", Bandra Kurla Complex,<br>Bandra (E), Mumbai - 400 051 |
|--|--|
|--|--|

The Company has paid Annual Listing fees to the above Stock Exchanges for the Current Financial Year 2015-16.

### (g) Stock Code:

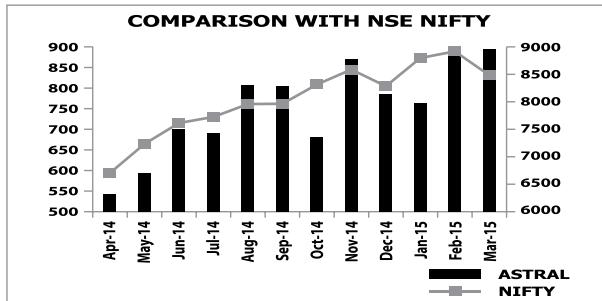
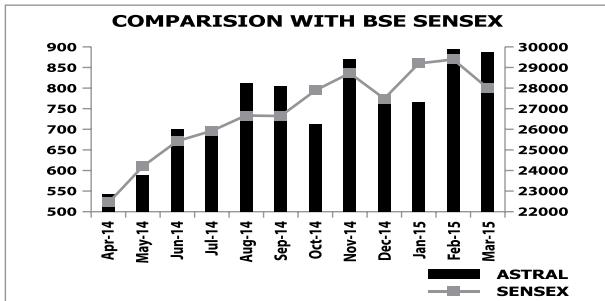
|  |              |
|--|--------------|
| The BSE Limited (BSE)  | 532830       |
| The National Stock Exchange of India Limited (NSE)           | ASTRAL       |
| ISIN for Equity Shares held in Demat form with NSDL and CDSL | INE006I01046 |

### (h) Stock Market Data:

(₹ in Lacs)

| <b>MONTH</b>     | <b>BSE</b>  |            | <b>NSE</b>  |            |
|------------------|-------------|------------|-------------|------------|
|                  | <b>HIGH</b> | <b>LOW</b> | <b>HIGH</b> | <b>LOW</b> |
| April, 2014      | 583.95      | 460.00     | 585.00      | 461.00     |
| May, 2014        | 609.55      | 468.90     | 608.85      | 471.60     |
| June, 2014       | 720.90      | 502.20     | 722.00      | 499.95     |
| July, 2014       | 758.80      | 610.00     | 759.90      | 613.10     |
| August, 2014     | 864.00      | 655.00     | 865.70      | 670.00     |
| September, 2014* | 849.00      | 370.00     | 856.40      | 368.00     |
| October, 2014    | 402.95      | 349.00     | 411.95      | 338.95     |
| November, 2014   | 440.00      | 339.55     | 439.90      | 338.00     |
| December, 2014   | 447.40      | 370.20     | 449.90      | 370.00     |
| January, 2015    | 425.00      | 361.00     | 406.00      | 357.00     |
| February, 2015   | 471.30      | 379.25     | 484.00      | 370.04     |
| March, 2015      | 470.00      | 402.00     | 475.00      | 415.50     |

\* The Company's share has been split from ₹2/- paid up to ₹1/- paid up w.e.f. 26/09/2014 (Record Date).



To ensure consistency, uniformity and meaningful comparison, the graph has been drawn assuming face value of the equity shares at ₹2/- each post split.

#### (i) Registrar and Share Transfer Agents

All the work relating to the share registry for Shares held in Physical form as well as Shares held in Electronic Form (Demat) is being done at one single point at R & T Agent of the Company viz. Bigshare Services Private Limited.

The detailed address is as under:

#### BIGSHARE SERVICES PRIVATE LIMITED

E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400072.

Tel: 022-40430200, Fax No. 022-28475207, E-mail: investor@bigshareonline.com

**Website:** www.bigshareonline.com, **Contact person:** Mr. Bhagwandas

#### (j) Share Transfer System

The Shares of Company are compulsorily traded in dematerialized form. Shares received in Physical Form are transferred within a period of 15 days from the date of lodgment subject to documents being valid and complete in all respects. The request for dematerialization of Shares are also processed by the R&T agent within stipulated period and uploaded with the concerned Depositories. In terms of Clause 47(c) of the Listing Agreement, Company Secretary in Practice examines the records and processes of Share transfers and issues half yearly Certificate which is sent to the Stock Exchanges.

#### (k) Distribution of Shareholding:

The distribution of Shareholding of the Company as on 31<sup>st</sup> March, 2015 is as follows:

| No. of Equity Shares Held | No. of shareholders | % of Total shareholders | No. of shares       | % of Total Capital |
|---------------------------|---------------------|-------------------------|---------------------|--------------------|
| Upto 5,000                | 10,265              | 95.09                   | 55,99,800           | 4.73               |
| 5,001-10,000              | 228                 | 2.11                    | 16,91,675           | 1.43               |
| 10,001-20,000             | 117                 | 1.08                    | 16,84,087           | 1.42               |
| 20,001-30,000             | 62                  | 0.57                    | 15,58,807           | 1.32               |
| 30,001-40,000             | 18                  | 0.17                    | 6,49,484            | 0.55               |
| 40,001-50,000             | 20                  | 0.19                    | 9,25,192            | 0.78               |
| 50,001-1,00,000           | 27                  | 0.25                    | 20,44,789           | 1.73               |
| 1,00,001 and above        | 58                  | 0.54                    | 10,42,11,245        | 88.04              |
| <b>Total</b>              | <b>10,795</b>       | <b>100.00</b>           | <b>11,83,65,079</b> | <b>100.00</b>      |

#### (l) Shareholding Pattern:

The Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2015 is as follows:

| Category  | No of Shares        | % of Total Capital |
|---|---------------------|--------------------|
| Promoters (including persons acting in concert) | 7,11,95,398         | 60.15              |
| Foreign Institutional Investors                 | 1,62,07,693         | 13.69              |
| Non-resident Indians/Overseas Corporate Bodies  | 34,92,622           | 2.95               |
| Mutual Funds, Financial Institutions and Banks  | 92,95,420           | 7.85               |
| Private Corporate Bodies                        | 33,04,955           | 2.79               |
| Resident Indians                                | 1,48,17,258         | 12.52              |
| Clearing members                                | 51,733              | 0.05               |
| <b>Total</b>                                    | <b>11,83,65,079</b> | <b>100.00</b>      |



**(m) Shares in Suspense Account:**

As per Clause 5A of the listing agreement total 500 shares are lying in the Escrow Account in the name of BIGSHARE SERVICES PRIVATE LIMITED-ESCROW ACCOUNT-ASTRAL POLYTEKNIK LTD - IPO with IDBI Bank having DP ID IN300450 13481768 and voting rights on these Shares shall remain frozen till the rightful owner of such Shares claims the Shares. During the year under review, no shareholder approached the Company/registar, for transfer of shares from suspense account.

**(n) Dematerialization of Shares and liquidity:**

As on 31<sup>st</sup> March, 2015, 99.99 % of the total Equity Shares were held in dematerialized form with National Securities Depository Ltd. [NSDL] and Central Depository Services Limited [CDSL].

The details of which are as under:

| Sr. No.      | Mode of Holding | No. of Shares       | % of Total Capital |
|--------------|-----------------|---------------------|--------------------|
| 1.           | NSDL            | 11,35,55,750        | 95.94              |
| 2.           | CDSL            | 47,96,139           | 4.05               |
| 3.           | Physical        | 13,190              | 0.01               |
| <b>TOTAL</b> |                 | <b>11,83,65,079</b> | <b>100.00</b>      |

**(o) GDRs/ADRs/Warrants or Convertible Instruments outstanding as on the date of this Report:**

Nil

**(p) Plant Location:**

| Gujarat Unit   |  | Himachal Pradesh Unit   | Tamilnadu Unit   |
|--|--|---|--|
| Santej   | Dholka   |   |  |
| Village: Santej,<br>Taluka: Kalol,<br>Dist: Gandhinagar,<br>Gujarat, India | Dholka-Kheda Road,<br>Rampur, Dholka,<br>Dist: Ahmedabad<br>Gujarat, India | Village: Bated,<br>P.O. Barotiwala,<br>Dist: Solan, Tehsil: Kasauli,<br>Himachal Pradesh, India | Perandaplli<br>Post, Village-Alur,<br>District-Krishnagiri,<br>Hosur, Tamilnadu, India |

**(q) Address for correspondence:**

Shareholders' correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned at point (i).

Shareholders may also contact Company Secretary at the Registered Office of the Company for any assistance.

**Registered Office**

"ASTRAL HOUSE",  
207/1, B/h. Rajpath Club, Off S. G. Highway,  
Ahmedabad - 380 059, Gujarat, India  
Tel. No. : +91 79 66212000 Fax No. : +91 79 66212121  
Email : co@astralpipes.com Website : www.astralpipes.com

**For, Astral Poly Technik Limited**

**(Sandeep P. Engineer)**  
Managing Director

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**For, Astral Poly Technik Limited**

**(Jagruti S. Engineer)**  
Whole Time Director

**DECLARATION**

To,  
The Members  
Astral Poly Technik Limited

I, Sandeep P. Engineer, Managing Director of Astral Poly Technik Limited hereby declare that, as of 31<sup>st</sup> March, 2015, all the Board Members and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

**For, Astral Poly Technik Limited**

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**Sandeep P. Engineer**  
Managing Director



## Auditors' Certificate on Corporate Governance

To the Members of **Astral Poly Technik Limited**

We have examined the compliance of the conditions of Corporate Governance by **Astral Poly Technik Limited** for the year ended on **March 31, 2015**, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

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

For, **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**(Kartikeya Raval)**  
Partner  
(Membership No. 106189)

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments (Pipes):

Piping Industry in India has been growing at CAGR of 15% plus since last many years barring the last year when the growth was low due to poor economic conditions. In spite of that your Company has done quite well by delivering 20% volume growth, highest in the Industry.

Looking to the announcements made by the new Government regarding the housing and construction sectors and the different new products launched by Astral during the last 3 years, we are sure that the coming years will offer good growth prospects for our industry in general and for Astral in particular. Plastic Piping Industry in India has a market size of appx. ₹21,500 Crores and Metal Industry is about ₹6000 Crores. Since replacement of metal by plastic has been taking place rapidly, Plastic Industry is expected to grow at an accelerated pace in the coming years. Further analysis shows that the Plumbing Industry is largely dominated by organized players accounting for 65% of the market. Your Company has a significant volume of its sales from the Plumbing segment.

There are many positive factors which are going to drive the growth of Piping Industry in the coming years. Important among them are:

- Implementation of GST from 2016 will support the organized sector.
- Replacement of metal by plastic.
- With the growth in the demand for quality construction, builders are increasingly moving towards the branded pipes (Pricing gap between branded & unbranded pipes is very low).
- Demand from Tier I/II cities and rural segment is expected to pickup as no big unsold inventory of houses is left in these areas as compared to metros, if the rainfall will be in order.
- Low cost housing is picking up as the Govt. is supporting the concept.
- Proposal of the Govt. to develop 100 Smart Cities.
- PM Mr. Narendra Modi's vision of "House to Each by 2022".

Your Company has extended its reach to all the four zones of the country by setting up manufacturing facilities in the North /South /West and a Depo in the East.

In short, we are confident about the growth of your Company in the years ahead and your Company is ready with the required capacity, infrastructure, distribution network, product range etc.

### Industry Structure and Developments (Adhesive & Sealants):

The size of Adhesives, Sealants and Building Chemicals market is appx. ₹10,000/- Crores which is very large and is predominantly controlled by very few well established manufacturers. Hence, the growth for your Company in these areas is imminent.

The per capita consumption of adhesives is 9.4 Kg in Germany, 9.1 Kg in US compared to 1.5 Kg in China and just 0.20 Kg in India. This shows that India offers good potential for growth in the consumption of adhesives which is a positive feature of this industry.

Similarly, while the value of per capita consumption of adhesives is ₹750 for developed countries it is just ₹50/- for India.

Indian and Chinese adhesive industry is growing at 15% CAGR. With the newer innovative and faster construction techniques, the growth of the adhesive industry will go up in the future. With steady increase in urbanization and modern constructions, the demand for adhesives and building construction chemicals is expected to grow much faster.

### Opportunities and Threats:

We see good opportunity for growth in the construction sector of the Indian economy. India's GDP is expected to grow at 8 to 9%. Therefore, growth of the construction sector should also be commensurate with and supportive of the overall GDP growth.

As per the Vision 2022 document released by KPMG, India has at present a shortage of 59 million houses and it needs additional 51 million houses by 2022 which is a very huge opportunity not only for the housing sector but also indirectly for the piping industry.

Besides the above, India needs large areas of commercial space for modern Retailing. This will give further fillip to the construction activity in this area.

Favorable demographics, higher disposable income leading to better lifestyle, concept of nuclear families and a rising middle class will also drive the growth in the demand for housing.

Government of India is supporting irrigation to increase agricultural output which implies higher demand for pipes from the agricultural sector. Your Company has recently started manufacturing Agri Pipes which will contribute significantly to the growth of your Company.



Many countries are likely to come forward to support the vision of our Prime Minister Mr. Narendra Modi to build "Smart Cities". This in turn will open up new opportunities for growth to the Piping and Adhesive industry. Your Company is poised to utilize the opportunity quickly as it is ready with the required manufacturing capacity and infrastructure.

Implementation of GST is going to be beneficial to the organized sector and your Company will be no exception. Leakage of tax revenue in the unorganized sector will be plugged with this new law coming into force and a level playing field will be opened for all players. Your Company's new products are picking up and contribution of these new products is going up. With the introduction of Blaze Master, a new avenue will open up in the piping segment. Your Company is expecting a reasonably good amount of revenue from Blaze Master.

#### **Outlook:**

The history of piping Industry in India has witnessed higher growth and will continue to be so because of the following reasons.

- Replacement of conventional piping systems like galvanized Iron and Cast Iron piping systems with plastic is going on and will continue in the near term.
- Growth in construction, particularly in rural & Tier-II and III cities is going to be supported by demographic change, aspirations of better lifestyle, nuclear family concept and continuous rise of the middle class.
- Increase in the demand for branded agriculture and plumbing pipes because of increase in income levels.

While the Piping Industry has been growing at 12-15% CAGR during the last 10 years, your Company's growth has been much higher than that of the Industry (CAGR 30% +)

New Government is committed to rapid economic growth of the country. Some of the initiatives taken by the government like "SMART CITIES", "REIT", "FDI – in real-estate" etc will have a favorable impact on the demand for the products of piping and adhesive industries.

As far as your Company is concerned, a single most important advantage it enjoys is that it is the only Company which can offer to the developers all their piping requirements for various projects. Astral offers one-stop solution for various piping requirements such as Plumbing (Hot & Cold), Drainage, Underground, Rain water harvesting, Sewage, Industrial, Fire Sprinklers, Agri Pipes etc.

Your Company is the only NSF approved Company in the plumbing industry, giving it an edge over its competitors.

With the association of Mr. Salman Khan as Brand Ambassador, your Company's Brand strength is steadily going up. The distribution network of your Company is continuously expanding. Your Company has, at present, 700+ distributors and 20000+ dealers.

With recent two acquisitions Viz. Resinova (Kanpur, India) and Seal it (Bond It – UK), your Company supplies full range of products in the Adhesives, Sealants and Building Chemicals segment. As already mentioned earlier, market opportunities are many in this segment and therefore, we see a very positive outlook for growth in the years ahead.

Looking to the size of the Piping Industry of more than 275 (INR bn) and plastic piping of 215 (INR bn) and 100 (INR bn) for Adhesives, Sealants & Building Chemicals we see a very bright future for your Company. In both size and scale this industry is growing significantly and with the new demand in housing, infra, hotels, airports, malls, 100 Smart Cities and lot of commercial construction, your Company will have a very good growth opportunity in the years ahead.

Your Company has recently entered the agri piping sector which also has a very good market in India and future potential. We are just beginning a journey in the segment where the existing market size is placed around ₹7000 crores. Which is further growing. Looking to the Astral's strong brand awareness in India and its coming branding events with Mr. Salman Khan, your Company is quite confident that it will be able to muster a reasonable market share from this segment in the days ahead. The initial response for these products is very encouraging and we are confident of growth in coming years in this segment also.

Your Company has recently commenced the production and sales from its South-based plant (Hosur- Tamil Nadu) which will help the Company to expand its Southern market in India. Last year, we started with PVC products and now we have installed machines for CPVC products. With the availability of additional power, we will be able to start manufacturing CPVC pipes in the coming months which will enable your Company to capture higher market share because of the logistic advantage of the new plant.

Business of the Kenya joint venture of your Company has started picking up. Last year sales have grown by 67%. In the current year it is expected to further grow at a rapid pace especially with the introduction of local manufacturing of fittings. We foresee a sizeable growth in Kenyan market because of duty saving.

#### **Foreign Exchange Risk:**

Being significantly dependent on imports and loans in foreign currency, your Company is exposed to the risk of fluctuations in exchange rate of foreign currency. Appropriate decisions are taken for hedging the exposure from time to time based on the market scenario. However, the volatility is increasing day by day which has elevated the risk. But after Mr. Raghuram Rajan took over as the RBI Governor, the risk due to Exchange rate fluctuations has decreased substantially.



### **Raw Material Prices:**

Since a significant part of the raw material is imported, any increase in the import price or fluctuations in the foreign currency rate may affect the margins of your Company. Further, the price of raw material is to some extent, linked to the International crude price, which may affect the price of raw material. But your Company has been successfully managing this risk for the past several years. Whenever the revision in raw material prices is on the higher side, it is passed on to the customers. Lubrizol is putting up CPVC compound facility in Dahej which will reduce this risk for your Company to almost negligible level because your Company will be sourcing CPVC in local currency. We expect that Lubrizol will start supplying products to us from local manufacturing plant from the next financial year.

### **Internal Control and their adequacy:**

Your Company has adequate Internal Control Systems and Procedures commensurate with the size of the Company and its nature of business. The independent Internal Auditors continuously review the adequacy and effectiveness of the internal control systems vis-a-vis on-going operations of the Company, which provides reasonable assurance of adequacy and effectiveness of control, governance and risk management procedures to the Audit Committee. The recommendations of Internal Auditors and the Audit Committee are followed up effectively for implementation.

### **Financial Performance:**

An overview of the financial performance is given in the Directors' Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

### **Human Resources:**

Your Company continues to maintain constructive relationship with its employees with a positive environment so as to improve efficiency. Your Company places great value on the commitment, competence and vigor shown by its employees in all aspects of business. Your Company confirms its commitment to take initiative to further align its HR policies in order to meet the growing needs of the business.

Your Company has employee focus in the sense that it provides fulfillment, stretch and opportunity for development of its employees at all levels. It is because of the considerable skill and motivation of the employees, that your Company is able to deliver performance satisfaction. Your Board would like to express its sincere appreciation and gratitude to all employees on behalf of the stakeholders of your Company, who benefit from their hard work.

### **Cautionary Statement:**

Some of the statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable Laws and Regulations.

Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in economic conditions affecting demand, supply and price movements in the domestic and overseas markets in which your Company operates, changes in the Government regulations, Tax Laws and other Statutes or other incidental factors.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future.

**For, Astral Poly Technik Limited**

**(Sandeep P. Engineer)**  
Managing Director

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**For, Astral Poly Technik Limited**

**(Jagruti S. Engineer)**  
Whole Time Director



## Independent Auditors' Report

To The Members of **Astral Poly Technik Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **ASTRAL POLYTECHNIK LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March,2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

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

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

### **Opinion**

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, 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 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 25 to the financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**(Kartikeya Raval)**  
Partner  
(Membership No. 106189)

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Annexure to the Independent Auditors' Report

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

Having regard to the nature of the Company's business / activities during the year, clause(vi) of paragraph 3 of the Order is not applicable to the Company.

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - (a) In the absence of stipulations, the regularity of the receipts of principal amounts and interest has not been commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes.
  - (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- (vii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for loans taken by others from banks are not, *prima facie*, prejudicial to the interests of the Company.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For, **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**(Kartikeya Raval)**

Partner

(Membership No. 106189)



## Balance Sheet as at 31<sup>st</sup> March, 2015

(₹ In Lacs)

| Particulars  | Note         | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|--------------|---------------------------------------|---------------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |              |                                       |                                       |
| <b>Share Holders' Funds</b>  |              |                                       |                                       |
| Share Capital  | 1            | 1,183.65                              | 1,123.81                              |
| Reserves & Surplus   | 2            | 60,121.03                             | 30,353.94                             |
|  |              | <b>61,304.68</b>                      | <b>31,477.75</b>                      |
| <b>Non Current Liabilities</b>   |              |                                       |                                       |
| Long Term Borrowings   | 3            | 11,176.04                             | 7,856.27                              |
| Deferred Tax Liabilities (Net)   | 4            | 1,793.03                              | 1,306.13                              |
| Long Term Provisions (Employee Benefits)                                   |              | 20.82                                 | 10.12                                 |
|  |              | <b>12,989.89</b>                      | <b>9,172.52</b>                       |
| <b>Current Liabilities</b>   |              |                                       |                                       |
| Short Term Borrowings  | 5            | -                                     | 1,550.00                              |
| Trade Payables   | 6            | 23,245.11                             | 18,085.49                             |
| Other Current Liabilities  | 7            | 6,925.94                              | 7,431.74                              |
| Short Term Provisions  | 8            | 705.91                                | 636.35                                |
|  |              | <b>30,876.96</b>                      | <b>27,703.58</b>                      |
|  | <b>Total</b> | <b>1,05,171.53</b>                    | <b>68,353.85</b>                      |
| <b>II. ASSETS</b>  |              |                                       |                                       |
| <b>Non Current Assets</b>  |              |                                       |                                       |
| Fixed Assets   |              |                                       |                                       |
| Tangible Assets  | 9            | 28,461.10                             | 27,763.91                             |
| Capital Work In Progress   |              | 2,142.35                              | 285.33                                |
| Non Current Investments  | 10           | 27,147.98                             | 1,066.95                              |
| Long Term Loans and Advances   | 11           | 1,763.28                              | 1,535.46                              |
|  |              | <b>59,514.71</b>                      | <b>30,651.65</b>                      |
| <b>Current Assets</b>  |              |                                       |                                       |
| Inventories  | 12           | 20,461.32                             | 18,923.09                             |
| Trade Receivables  | 13           | 18,881.96                             | 14,248.38                             |
| Cash and Cash Equivalents  | 14           | 709.30                                | 105.44                                |
| Short Term Loans and Advances  | 15           | 5,434.07                              | 4,383.94                              |
| Other Current Assets   | 16           | 170.17                                | 41.35                                 |
|  |              | <b>45,656.82</b>                      | <b>37,702.20</b>                      |
|  | <b>Total</b> | <b>1,05,171.53</b>                    | <b>68,353.85</b>                      |
| <b>See accompanying notes forming part<br/>of the financial statements</b> |              |                                       |                                       |

In terms of our report attached

For and on behalf of the Board of Directors

For, **Deloitte Haskins & Sells**  
Chartered Accountants**(Sandeep P. Engineer)**  
Managing Director**(Jagruti S. Engineer)**  
Whole Time Director**(Kartikeya Raval)**  
Partner**(Hiranand A. Savlani)**  
Chief Financial Officer**(Krunal D. Bhatt)**  
Company SecretaryDate : 28<sup>th</sup> May, 2015  
Place : AhmedabadDate : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Statement of Profit and Loss for the Year ended on 31<sup>st</sup> March, 2015

(₹ In Lacs)

| Particulars  | Note         | 2014-15            | 2013-14            |
|--|--------------|--------------------|--------------------|
| <b>INCOME</b>  |              |                    |                    |
| Revenue from Operations (Gross)  |              | 1,36,794.53        | 1,17,067.23        |
| <b>Less :</b> Excise duty  |              | 11,583.74          | 9,787.25           |
| Revenue from Operations (Net)  | 17           | 1,25,210.79        | 1,07,279.98        |
| Other Income   | 18           | 304.30             | 248.55             |
|  | <b>Total</b> | <b>1,25,515.09</b> | <b>1,07,528.53</b> |
| <b>EXPENSES</b>  |              |                    |                    |
| Cost of Materials Consumed   | 19           | 89,488.38          | 74,275.82          |
| Purchase of Stock In Trade   |              | 6,968.38           | 6,250.40           |
| Changes in Inventories of Finished Goods, and Stock In Trade               | 20           | (2,833.11)         | (3,185.51)         |
| Employee Benefits Expense  | 21           | 2,817.71           | 2,347.94           |
| Finance Costs  | 22           | 2,339.69           | 3,048.27           |
| Depreciation and Amortization Expenses                                     | 9            | 3,301.43           | 2,132.85           |
| Other Expenses   | 23           | 13,771.88          | 12,521.09          |
|  | <b>Total</b> | <b>1,15,854.36</b> | <b>97,390.86</b>   |
| <b>Profit Before Tax</b>   |              | <b>9,660.73</b>    | <b>10,137.67</b>   |
| Tax Expense:   |              |                    |                    |
| Current Tax  |              | 2,291.54           | 2,375.59           |
| <b>Less:</b> MAT Credit Entitlement  |              | -                  | (419.12)           |
| Short provision of tax relating to prior years                             |              | (65.20)            | 30.48              |
| Net Current Tax Expense  |              | 2,226.34           | 1,986.95           |
| Deferred Tax   |              | 549.90             | 430.21             |
|  |              | <b>2,776.24</b>    | <b>2,417.16</b>    |
| <b>PROFIT FOR THE YEAR</b>   |              | <b>6,884.49</b>    | <b>7,720.51</b>    |
| Earnings Per Equity Share: (In ₹) (Face Value of ₹1/- each)                |              |                    |                    |
| (Previous Year: Face Value of ₹2/- each)                                   |              |                    |                    |
| Basic & Diluted  | 24           | 6.03               | 6.87               |
| <b>See accompanying notes forming part<br/>of the financial statements</b> |              |                    |                    |

In terms of our report attached

For and on behalf of the Board of Directors

**For, Deloitte Haskins & Sells**  
Chartered Accountants

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Kartikeya Raval)**  
Partner

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Cash Flow Statement for the Year ended on 31<sup>st</sup> March, 2015

(₹ In Lacs)

| No.      | Particulars  | 2014-15            | 2013-14           |
|----------|--|--------------------|-------------------|
| <b>A</b> | <b>Cash flow from Operating Activities</b>                     |                    |                   |
|          | <b>Net Profit before tax</b>                                   | <b>9,660.73</b>    | <b>10,137.67</b>  |
|          | <b>Adjustments for :</b>                                       |                    |                   |
|          | Depreciation   | 3,301.43           | 2,132.85          |
|          | Finance Costs  | 2,339.69           | 2,826.52          |
|          | Provision for Doubtful debts                                   | 65.67              | 48.93             |
|          | Unrealised Foreign Exchange                                    | 486.58             | 108.95            |
|          | Loss/(Profit) on Sale of Fixed Assets                          | 1.61               | 9.40              |
|          | Gain on Sale of Current Investment                             | (28.78)            | (92.70)           |
|          | Interest Income  | (82.19)            | (95.40)           |
|          | <b>Operating profit before Working Capital Changes</b>         | <b>15,744.74</b>   | <b>15,076.22</b>  |
|          | <b>Adjustments for :</b>                                       |                    |                   |
|          | (Increase)/Decrease in Inventories                             | (1,538.23)         | (4,111.34)        |
|          | Increase in Trade & Other Receivables                          | (5,662.07)         | (4,936.15)        |
|          | Increase/(Decrease) in Trade Payables                          | 2,353.17           | 4,278.02          |
|          | <b>Cash generated from Operations</b>                          | <b>10,897.61</b>   | <b>10,306.75</b>  |
|          | Direct Taxes Paid  | (2,213.51)         | (2,166.15)        |
|          | <b>Net Cash from Operating Activities</b>                      | <b>8,684.10</b>    | <b>8,140.60</b>   |
| <b>B</b> | <b>Cash flow from Investing Activities</b>                     |                    |                   |
|          | Capital Expenditure on Fixed Assets including Capital Advances | (5,912.57)         | (8,501.42)        |
|          | Proceeds from the Sale of Fixed Assets                         | 30.09              | 13.71             |
|          | (Increase)/Decrease in Loans given to Related Parties          | (603.93)           | 689.46            |
|          | Interest Received  | 82.19              | 95.40             |
|          | Gain on Sale of Current Investment                             | 28.78              | 92.70             |
|          | Increase in Investment in Subsidiary and Joint Venture         | (26,081.03)        | (875.25)          |
|          | <b>Net Cash used in Investing Activities</b>                   | <b>(32,456.47)</b> | <b>(8,485.40)</b> |
| <b>C</b> | <b>Cash flow from Financing Activities</b>                     |                    |                   |
|          | Dividend paid  | (465.23)           | (361.57)          |
|          | Interest paid  | (2,339.69)         | (2,826.52)        |
|          | Proceeds from Long Term Borrowings                             | 8,052.18           | 4,613.60          |
|          | Repayment of Long Term Borrowings                              | (2,907.44)         | (2,115.68)        |
|          | Repayment of Short Term Borrowings                             | (1,550.00)         | -                 |
|          | Net Proceeds from issue of Equity Shares through QIP           | 23,586.60          | -                 |
|          | <b>Net Cash flow from Financing Activities</b>                 | <b>24,376.42</b>   | <b>(690.17)</b>   |
|          | <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>       | <b>604.05</b>      | <b>(1,034.97)</b> |
|          | Cash and Cash Equivalents at the beginning of the year         | 105.44             | 1,140.42          |
|          | Effect of Foreign Exchange rate change                         | (0.19)             | (0.01)            |
|          | Cash and Cash Equivalents at the end of the year               | 709.30             | 105.44            |

- Note :**
1. Cash and Cash Equivalents represent Cash and Bank Balances. (Refer Note no. 14)
  2. Fixed Deposits of ₹0.76 Lacs (Previous Year ₹0.99 Lacs) are pledged with a bank towards Letters of Credit / Bank Guarantees.
  3. Cash and Cash Equivalents include ₹2.25 Lacs (Previous Year ₹2.11 Lacs) of unclaimed dividend not available for use by the Company.
  4. The previous year's figures have been regrouped wherever necessary.
  5. The above Cash Flow Statement has been prepared as per Indirect Method as set out in Accounting Standard - 3 on Cash Flow Statements prescribed under Companies (Accounting Standard) Rules, 2006.

In terms of our report attached

For and on behalf of the Board of Directors

For, Deloitte Haskins & Sells  
Chartered Accountants

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Kartikeya Raval)**  
Partner

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Significant Accounting Policies

### a) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention except for land which is carried at revalued amount. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### b) Use of Estimates

The preparation of the financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) 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. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

### c) Inventories

Inventories are valued at lower of cost on FIFO basis and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable, excise duty.

### d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the information.

### e) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act.

Assets costing less than ₹5000/- individually is fully depreciated in the year of acquisition.

Intangible assets are amortized over their estimated useful life on a straight line basis over a period of 5 years.

### f) Revenue Recognition

Sales are recognized, net of returns, trade discounts, Sales Tax and VAT on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Excise duties collected on Sales are shown by way of deduction from Sales.

### g) Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

### h) Fixed Assets (Tangible / Intangible)

Fixed assets, except land are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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 and related incidental expenses.

Intangible assets under development:

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

### i) Foreign Currency Transactions

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. The Company has not exercised the option for capitalization or amortization of exchange differences on long term foreign currency monetary items as provided by notification issued by the Ministry of Corporate Affairs.

In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the contract is recognized as income or expense over the life of the contract. Exchange differences on such a contract are recognized in the Statement of Profit and Loss in the period in which the exchange rates change.

Investments in shares of foreign subsidiaries and other entities are expressed in reporting currency at the rates of exchange prevailing at the time when original investments were made.

### j) Investments

Long Term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees, duties etc.

### k) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

#### Defined Contribution Plan:

The Company's contribution to Provident Fund and employees state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

#### Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### l) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

### m) Lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Operating lease rentals are expensed with reference to lease terms and other considerations. Lease rentals should be recognized on straight line basis. There are no finance leases.



**n) Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**o) Research & Development Expenditure**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

**p) Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**q) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**r) Insurance Claims**

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

**s) Share Issue Expenses**

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

**t) 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 has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



## Notes forming part of the Financial Statements

### 1. SHARE CAPITAL

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Authorised Share Capital</b>   |                                       |                                       |
| 15,00,00,000 Equity Shares of ₹1/- each<br>(7,50,00,000 Equity Shares of ₹2/- each)                             | 1,500.00                              | 1,500.00                              |
| <b>Issued, Subscribed &amp; Fully Paid Share Capital</b>  |                                       |                                       |
| 11,83,65,079 Equity Shares of ₹1/- each fully paid up<br>(5,61,90,280 Equity Shares of ₹2/- each fully paid up) | 1,183.65                              | 1,123.81                              |
| <b>Total</b>  | <b>1,183.65</b>                       | <b>1,123.81</b>                       |

- a) Rights, preferences and restrictions attached to shares :

The Company has issued only one class of equity shares having per value of ₹1 per Share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

- b) Reconciliation of number of shares outstanding :

| Particulars  | No. of Shares | ₹ in Lacs  |
|--|---------------|------------|
| As at beginning of the year  | 5,61,90,280   | 1,123.81   |
|  | (2,24,76,112) | (1,123.81) |
| <b>Add:</b> Subdivision of Equity Shares of ₹ 2 each into face value of ₹ 1 each<br>(Previous Year: Subdivision of Equity Shares of ₹ 5 each in to face value of ₹ 2 each) | 5,61,90,280   | -          |
|  | (3,37,14,168) | (-)        |
| <b>Add:</b> Shares issued - pursuant to Qualified Institutional Placement (QIP)<br>(Refer Note No. 31)   | 59,84,519     | 59.84      |
|  | (-)           | (-)        |
| As at end of the year  | 11,83,65,079  | 1,183.65   |
|  | (5,61,90,280) | (1,123.81) |

Figures in the brackets are of Previous Year.

- c) The details of shareholders holding more than 5% shares as at March 31, 2015 and March 31, 2014 is set out below :

| Sr. No. | Name of Shareholders  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---------|---|---------------------------------------|---------------------------------------|
| 1       | Sandeep Pravinbhai Engineer   | - No. of Shares<br>- % of Shares Held | 2,36,71,410<br>20.00                  |
| 2       | Saumya Polymers LLP   | - No. of Shares<br>- % of Shares Held | 2,12,64,550<br>17.97                  |
| 3       | Jagruti Sandeep Engineer  | - No. of Shares<br>- % of Shares Held | 91,43,410<br>7.72                     |
| 4       | Specialty Process LLC   | - No. of Shares<br>- % of Shares Held | 79,55,770<br>6.72                     |
| 5       | HSBC Bank (Mauritius) Limited A/C.<br>Jwalmukhi Investment Holdings | - No. of Shares<br>- % of Shares Held | 66,92,284<br>5.65                     |
| 6       | Hansa Pravinbhai Engineer   | - No. of Shares<br>- % of Shares Held | 66,70,460<br>5.64                     |

During the year ended March 31, 2015, the Company has subdivided Equity Shares having face value of ₹2/- each into face value of ₹1/- each (Previous Year: Subdivision of Equity Shares of ₹5 each in to face value of ₹2 each). Consequently, the number of shares as at March 31, 2015 is not comparable with the same as at March 31, 2014.



## Notes forming part of the Financial Statements

### 2. RESERVES AND SURPLUS

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|--|
| <b>Capital Reserves</b>   |                                       |  |
| As per Last Balance Sheet   | 40.00                                 | 40.00  |
| <b>Securities Premium Account</b>   |                                       |  |
| As per Last Balance Sheet   | 3,890.73                              | 3,890.73   |
| <b>Add :</b> Premium on shares issued during the year   | 24,029.04                             | -  |
| <b>Less :</b> Utilised during the year for Shares Issues Expenses (Refer Note No. 31)   | 502.28                                | -  |
|   | <b>27,417.49</b>                      | <b>3,890.73</b>                                      |
| <b>General Reserves</b>   |                                       |  |
| As per Last Balance Sheet   | 2,595.00                              | 1,570.00   |
| <b>Add :</b> Transferred from Surplus in Statement of Profit & Loss   | -                                     | 1,025.00   |
|   | <b>2,595.00</b>                       | <b>2,595.00</b>                                      |
| <b>Revaluation Reserves</b>   |                                       |  |
| As per Last Balance Sheet   | 121.14                                | 121.14   |
| <b>Surplus in Statement of Profit &amp; Loss</b>  |                                       |  |
| As per Last Balance Sheet   | 23,707.07                             | 17,438.87  |
| <b>Less :</b> Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax ₹62.99 Lacs) (Refer Note No. 9) | 122.34                                | -  |
| <b>Add :</b> Profit For the Year  | 6,884.49                              | 7,720.51   |
| Amount Available for Appropriation  | 30,469.22                             | 25,159.38  |
| <b>Less : Appropriations</b>  |                                       |  |
| Interim Dividend  | 168.57                                | 140.48   |
| Proposed Final Dividend   | 266.32                                | 224.76   |
| Dividend Distribution Tax   | 86.93                                 | 62.07  |
| Transferred to General Reserve  | -                                     | 1,025.00   |
|   | <b>521.82</b>                         | <b>1,452.31</b>                                      |
|   | <b>29,947.40</b>                      | <b>23,707.07</b>                                     |
| <b>Total</b>  | <b>60,121.03</b>                      | <b>30,353.94</b>                                     |

### 3. LONG TERM BORROWINGS

| Particulars  | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|--|
| <b>Secured</b>   |                                       |  |
| Term Loans From Banks                                      |                                       |  |
| In Rupee   | 4,613.06                              | 2,005.66   |
| In Foreign Currency  | 11,040.43                             | 8,452.44   |
| <b>Less : Current Maturity of Long Term Loans</b>          | <b>15,653.49</b>                      | <b>10,458.10</b>                                     |
|  | 4,586.94                              | 3,179.42   |
|  | <b>11,066.55</b>                      | <b>7,278.68</b>                                      |
| Buyers Credit  | 374.59                                | 1,557.21   |
| <b>Less : Current Maturity of Long Term Buyers Credits</b> | 294.92                                | 1,015.39   |
|  | <b>79.67</b>                          | <b>541.82</b>  |
| Vehicle Loans  | 59.20                                 | 83.27  |
| <b>Less : Current Maturity of Vehicle Loans</b>            | 29.38                                 | 47.50  |
|  | <b>29.82</b>                          | <b>35.77</b>   |
| <b>Total</b>   | <b>11,176.04</b>                      | <b>7,856.27</b>                                      |

**Note :** Amount stated in Current Maturity is disclosed under the head of "Other Current Liabilities" (Refer Note No. 7)

- a) Term Loans are Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present and future and also further secured by personal guarantees of Director.
  - i) Corporation Bank Term Loan of ₹5,297.38 Lacs (Previous Year: ₹3,926.50 Lacs) repayable within 72 months (i.e. by December 2018) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.
  - ii) HDFC Bank ECB Loan of ₹1,850.00 Lacs (Previous Year: ₹2,707.03 Lacs) repayable within 66 months (i.e. by December 2016) including initial moratorium period of twelve months from the date of first disbursement in eighteen quarterly instalments.
  - iii) Standard Chartered Bank ECB Loan of ₹492.19 Lacs (Previous Year: ₹943.27 Lacs) repayable within 60 months (i.e. by March 2016) including initial moratorium period of twelve months from the date of first disbursement in nine half yearly instalments.

## Notes forming part of the Financial Statements

- iv) IndusInd Bank Term Loan of ₹2,404.68 Lacs (Previous Year : ₹2,881.30 Lacs) repayable within 60 months (i.e. by June 2018) including initial moratorium period of Twelve months from the date of first disbursement in sixteen quarterly instalments.
- v) HSBC ECB Loan of ₹5,609.24 Lacs (Previous Year: ₹Nil) repayable within 60 months (i.e. by August 2019) including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly instalments.
- b) Buyers Credit
  - i) HDFC Bank Limited Buyers Credit of ₹Nil (Previous Year: ₹176.93 Lacs). Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present future and also further secured by personal guarantees of Director.
  - ii) Corporation Bank Buyers Credit of ₹118.59 Lacs (Previous Year: ₹145.35 Lacs) Repayable by March 2016. Secured by way of first charge, in respect of entire current assets of the Company both present future and further secured by personal guarantees of Director.
  - iii) IDBI Bank Limited Buyers Credit of ₹256.00 Lacs (Previous Year: ₹1,234.93 Lacs) Repayable by November 2016. Secured by way of first charge, in respect of entire current assets of the Company both present future and further secured by personal guarantees of Director.
- c) Vehicle Loans are Secured by way of hypothecation of respective motor vehicles purchased.
  - i) Kotak Mahindra Prime Limited Vehicle Loan of ₹Nil (Previous Year: ₹20.01 Lacs).
  - ii) Axis Bank Limited Vehicle Loan of ₹23.43 Lacs (Previous Year: ₹1.12 Lacs) repayable on monthly basis. Repayable by Sept 2017.
  - iii) ICICI Bank Limited Vehicle Loan of ₹28.34 Lacs (Previous Year: ₹53.25 Lacs) repayable on monthly basis. Repayable by October 2016.
  - iv) Corporation Bank Vehicle Loan of ₹7.43 Lacs (Previous Year: ₹8.89 Lacs) repayable on monthly basis. Repayable by February 2019.

### 4. DEFERRED TAX LIABILITIES (NET)

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Deferred Tax Liabilities</b>                                 |                                       |                                       |
| Difference between book balance and tax balance of fixed assets | 1,871.27                              | 1,809.93                              |
| <b>Deferred Tax Assets</b>                                      |                                       |                                       |
| Provision For Doubtful Trade Receivable                         | 70.85                                 | 154.49                                |
| Disallowances under Section 43B of the Income Tax Act, 1961     | 7.39                                  | 349.31                                |
| <b>Total</b>  | <b>1,793.03</b>                       | <b>1,306.13</b>                       |

### 5. SHORT TERM BORROWINGS

| Particulars                                  | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Secured</b>                               |                                       |                                       |
| Working Capital / Short Term Loan From Banks | -                                     | 950.00                                |
| <b>Unsecured</b>                             |                                       |                                       |
| Short Term Loan From Banks                   | -                                     | 600.00                                |
| <b>Total</b>                                 | <b>-</b>                              | <b>1,550.00</b>                       |

**Note :** Working Capital Loans outstanding as at previous year end are Secured by way of first charge on entire current assets of the Company both present and future and second charge in respect of Fixed assets both present and future and also further Secured by personal guarantees of Director.

### 6. TRADE PAYABLES

| Particulars              | (₹ In Lacs)                           |                                       |
|--------------------------|---------------------------------------|---------------------------------------|
|                          | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Acceptances              | 17,174.21                             | 10,953.22                             |
| Other than Acceptances * | 6,070.90                              | 7,132.27                              |
| <b>Total</b>             | <b>23,245.11</b>                      | <b>18,085.49</b>                      |

\* There are no dues to Micro and small Enterprises as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.



## Notes forming part of the Financial Statements

### 7. OTHER CURRENT LIABILITIES

| Particulars  | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Current Maturities of Long Term Borrowings (Refer Note No. 3)                          | 4,911.24                              | 4,242.31                              |
| Interest Accrued and due on Borrowings   | 42.22                                 | 18.75                                 |
| Interest Accrued but not due on Borrowings   | 54.33                                 | 38.80                                 |
| Unclaimed Dividends*   | 2.25                                  | 2.11                                  |
| Other Liabilities  |                                       |                                       |
| Statutory remittances  | 1,427.72                              | 2,430.57                              |
| (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) |                                       |                                       |
| Advance Received From Customers  | 114.90                                | 158.25                                |
| Payable for Capital Goods  | 278.58                                | 482.14                                |
| Other Payables   | 94.70                                 | 58.81                                 |
|  | <b>Total</b>                          | <b>6,925.94</b>                       |
|  |                                       | <b>7,431.74</b>                       |

\* Unclaimed dividend do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.

### 8. SHORT TERM PROVISIONS

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Provision For Employee Benefits (Refer Note No. 27)   | 0.94                                  | 0.82                                  |
| Provision For Dividend  |                                       |                                       |
| Proposed Final Dividend   | 266.32                                | 224.76                                |
| Tax on Dividend   | 53.25                                 | 38.20                                 |
| Provision For Taxation  |                                       |                                       |
| Taxation  | 383.76                                | 371.16                                |
| (Net of Advance Tax of ₹1,900.00 Lacs and TDS of ₹7.78 Lacs (Previous Year<br>Advance Tax of ₹2,000.00 Lacs and TDS of ₹4.43 Lacs)) |                                       |                                       |
| Provision For Wealth Tax  | 1.64                                  | 1.41                                  |
|   | <b>Total</b>                          | <b>705.91</b>                         |
|   |                                       | <b>636.35</b>                         |

### 9. FIXED ASSETS

| Assets                       | Gross Block         |                   |                |                     | Accumulated Depreciation |                    |                   |                | (₹ In Lacs)         |                     |
|------------------------------|---------------------|-------------------|----------------|---------------------|--------------------------|--------------------|-------------------|----------------|---------------------|---------------------|
|                              | As at<br>01.04.2014 | Additions         | Deductions     | As at<br>31.03.2015 | As at<br>01.04.2014      | Adjustments<br>(#) | For the<br>year   | Deductions     | As at<br>31.03.2015 | As at<br>31.03.2015 |
| Land                         | 5,660.73            | 354.17            | -              | 6,014.90            | -                        | -                  | -                 | -              | -                   | 6,014.90            |
|                              | (3,232.80)          | (2,427.93)        | (-)            | (5,660.73)          | (-)                      | (-)                | (-)               | (-)            | (-)                 | (5,660.73)          |
| Buildings                    | 9,050.08            | 527.29            | -              | 9,577.37            | 717.85                   | 21.03              | 329.21            | -              | 1,068.09            | 8,509.28            |
|                              | (6,484.89)          | (2,565.19)        | (-)            | (9,050.08)          | (501.73)                 | (-)                | (216.12)          | (-)            | (717.85)            | (8,332.23)          |
| Plant & Equipment            | 19,500.06           | 3,080.14          | 35.07          | 22,545.13           | 7,333.32                 | 130.49             | 2,649.26          | 16.71          | 10,096.36           | 12,448.77           |
|                              | (15,577.46)         | (3,949.32)        | (26.72)        | (19,500.06)         | (5,573.32)               | (-)                | (1,771.47)        | (11.47)        | (7,333.32)          | (12,166.74)         |
| Furniture & Fixtures         | 1,096.61            | 112.03            | 1.93           | 1,206.71            | 221.13                   | 4.18               | 123.35            | 1.41           | 347.25              | 859.46              |
|                              | (944.27)            | (152.34)          | (-)            | (1,096.61)          | (154.73)                 | (-)                | (66.40)           | (-)            | (221.13)            | (875.48)            |
| Vehicles                     | 416.52              | 57.09             | 42.89          | 430.72              | 130.87                   | 0.93               | 51.69             | 31.00          | 152.49              | 278.23              |
|                              | (349.12)            | (81.79)           | (14.39)        | (416.52)            | (103.01)                 | (-)                | (35.47)           | (7.61)         | (130.87)            | (285.65)            |
| Office equipment & Computers | 634.91              | 84.91             | 1.38           | 718.44              | 191.83                   | 28.69              | 147.92            | 0.46           | 367.98              | 350.46              |
|                              | (443.49)            | (193.13)          | (1.71)         | (634.91)            | (149.08)                 | (-)                | (43.39)           | (0.64)         | (191.83)            | (443.08)            |
| <b>Total</b>                 | <b>36,358.91</b>    | <b>4,215.63</b>   | <b>81.27</b>   | <b>40,493.27</b>    | <b>8,595.00</b>          | <b>185.32</b>      | <b>3,301.43</b>   | <b>49.58</b>   | <b>12,032.17</b>    | <b>28,461.10</b>    |
| <b>Previous Year</b>         | <b>(27,032.03)</b>  | <b>(9,369.70)</b> | <b>(42.82)</b> | <b>(36,358.91)</b>  | <b>(6,481.87)</b>        | <b>(-)</b>         | <b>(2,132.85)</b> | <b>(19.72)</b> | <b>(8,595.00)</b>   | <b>(27,763.91)</b>  |

Figures in the brackets are of Previous Year.

# Transition adjustment recorded against surplus balance in Statement of Profit and Loss.

- a) Building Includes ₹750/- being face value of 15 number of shares of ₹50/- each held in Kant Apartment Co- Operative Housing Society Limited. Also includes ₹127.11 Lacs (Previous Year ₹127.11 Lacs) for which the procedure for transfer of title in the name of the company is in process.
- b) Accumulated Depreciation upto 31st March 2015 includes impairment loss on Plant and Equipment ₹96.20 Lacs (Previous Year ₹96.20 Lacs).
- c) Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹122.34 Lacs (net of deferred tax of ₹62.99 Lacs) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus. (Refer Note No. 2)

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹682.38 Lacs consequent to the change in the useful life of the assets.



## Notes forming part of the Financial Statements

### 10. NON CURRENT INVESTMENTS

| Particulars  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|---------------------------------------|
| <b>Long Term Investment - At Cost</b>  |                                       |                                       |
| <b>Trade - Unquoted</b>  |                                       |                                       |
| Investment in Equity Shares of Subsidiary  |                                       |                                       |
| i) 50,000 Nos. (Previous Year 50,000 Nos.) of Equity Shares of ₹10/- each fully paid in Astral Biochem Private Limited.  | 5.00                                  | 5.00                                  |
| ii) 42,500 Nos. (Previous Year: 42,500 Nos.) of Equity Shares of ₹10/- each fully paid in Advanced Adhesives Limited.  | 4.25                                  | 4.25                                  |
| iii) 80 Nos. (Previous Year: Nil) of Equity Shares of GBP 1/- each fully paid in Seal It Services Limited, UK.   | 4,505.02                              | -                                     |
| iv) 3,043,686 Nos. (Previous Year: Nil) of Equity Shares of ₹10/- each fully paid in Resinova Chemie Limited.  | 21,464.62                             | -                                     |
| Investment in Equity Shares of Joint Venture   |                                       |                                       |
| i) 750,000 Nos. (Previous Year: 750,000 Nos.) of Equity Shares of Kenyan Shilling 50/- each fully paid in Astral Pipes Limited, Kenya.                               | 252.17                                | 252.17                                |
| Investment in Preference Shares of Joint Venture   |                                       |                                       |
| i) 22,50,000 Nos. (Previous Year: 22,50,000 Nos.) Non-Cumulative Redemable Preference Shares of Kenyan Shilling 50/- each fully paid in Astral Pipes Limited, Kenya. | 805.53                                | 805.53                                |
| Investment in Partnership Firm   |                                       |                                       |
| i) IndoGreen Plastic Technologies  | 111.39                                | -                                     |
| <b>Total</b>   | <b>27,147.98</b>                      | <b>1,066.95</b>                       |

### 11. LONG TERM LOANS AND ADVANCES

| Particulars                                    | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|---------------------------------------|
| <b>Unsecured, considered good</b>              |                                       |                                       |
| Capital Advances                               | 446.77                                | 286.68                                |
| Security Deposits                              | 50.54                                 | 15.01                                 |
| Prepaid Expenses                               | 253.97                                | 54.81                                 |
| MAT Credit Entitlement                         | 440.50                                | 673.28                                |
| Loans to Related Parties (Refer Note No. 29)   | 520.73                                | 505.68                                |
| Advance for Purchase of Non Current Investment | 50.77                                 | -                                     |
| <b>Total</b>                                   | <b>1,763.28</b>                       | <b>1,535.46</b>                       |

### 12. INVENTORIES

| Particulars                         | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Raw Materials                       | 5,286.00                              | 6,691.75                              |
| Stock In Trade                      | 3,052.04                              | 2,639.37                              |
| Finished Goods                      | 11,907.04                             | 9,486.60                              |
| Stores Spares and Packing Materials | 216.24                                | 105.37                                |
| <b>Total</b>                        | <b>20,461.32</b>                      | <b>18,923.09</b>                      |

### 13. TRADE RECEIVABLES

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| <b>Unsecured</b>  |                                       |                                       |
| Trade Receivable Outstanding for a period exceeding six months from the date they are due for payment |                                       |                                       |
| Considered Good   | 306.32                                | 118.30                                |
| Considered Doubtful   | 208.43                                | 454.50                                |
| Less : Provision  | 208.43                                | 454.50                                |
|   | 306.32                                | 118.30                                |
| Other Trade Receivable  |                                       |                                       |
| Considered Good   | 18,575.64                             | 14,130.08                             |
| <b>Total</b>  | <b>18,881.96</b>                      | <b>14,248.38</b>                      |



## Notes forming part of the Financial Statements

### 14. CASH AND CASH EQUIVALENTS

| Particulars                   | (₹ In Lacs)                           |                                       |
|-------------------------------|---------------------------------------|---------------------------------------|
|                               | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Cash on Hand                  | 20.17                                 | 9.86                                  |
| Balance With Banks            |                                       |                                       |
| In Current Account            | 686.12                                | 92.48                                 |
| In Deposit Account            | 0.76                                  | 0.99                                  |
| In Unclaimed Dividend Account | 2.25                                  | 2.11                                  |
| Total                         | <b>709.30</b>                         | <b>105.44</b>                         |

### 15. SHORT TERM LOANS AND ADVANCES

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>(Unsecured, Considered Good)</b>                       |                                       |                                       |
| Loans and Advances to Related Parties (Refer Note No. 29) | 588.87                                | -                                     |
| Prepaid Expenses  | 565.35                                | 176.21                                |
| Security Deposits   | 97.42                                 | 92.75                                 |
| Advance to Gratuity Fund (Refer Note No. 27)              | 47.00                                 | 46.52                                 |
| Loans and Advances to Employees                           | 15.76                                 | 9.11                                  |
| Balance with Custom, Central Excise and Central Sales Tax | 3,458.71                              | 3,331.64                              |
| MAT Credit Entitlement                                    | 478.00                                | 450.00                                |
| Advances to Suppliers                                     | 152.95                                | 247.65                                |
| Taxes Receivable  | 30.01                                 | 30.06                                 |
| Total   | <b>5,434.07</b>                       | <b>4,383.94</b>                       |

### 16. OTHER CURRENT ASSETS

| Particulars  | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Interest Accrued on loans and deposits (Refer Note No. 29) | 1.52                                  | 0.04                                  |
| Discount Receivable  | 168.65                                | 40.34                                 |
| Others   | -                                     | 0.97                                  |
| Total  | <b>170.17</b>                         | <b>41.35</b>                          |

### 17. REVENUE FROM OPERATIONS

| Particulars                          | (₹ In Lacs)        |                    |
|--------------------------------------|--------------------|--------------------|
|                                      | 2014-15            | 2013-14            |
| Domestic Sales                       | 1,35,051.55        | 1,15,153.51        |
| Export Sales                         | 1,742.98           | 1,913.72           |
| <b>Gross</b>                         | <b>1,36,794.53</b> | <b>1,17,067.23</b> |
| <b>Less : Excise Duty</b>            | <b>11,583.74</b>   | <b>9,787.25</b>    |
| <b>Revenue from Operations (Net)</b> | <b>1,25,210.79</b> | <b>1,07,279.98</b> |

#### PARTICULARS OF SALE OF PRODUCTS

| Particulars        | (₹ In Lacs)        |                    |
|--------------------|--------------------|--------------------|
|                    | 2014-15            | 2013-14            |
| Pipes and Fittings | 1,31,016.21        | 1,11,849.64        |
| Others             | 5,778.32           | 5,217.59           |
| <b>Total</b>       | <b>1,36,794.53</b> | <b>1,17,067.23</b> |

### 18. OTHER INCOME

| Particulars  | (₹ In Lacs)   |               |
|--|---------------|---------------|
|  | 2014-15       | 2013-14       |
| Interest Income comprises:                                 |               |               |
| From Banks on deposits                                     | 71.38         | 0.07          |
| From Subsidiaries  | 10.73         | 8.50          |
| From Others  | 0.08          | 86.83         |
| Gain on Sale of Current Investment                         | 28.78         | 92.70         |
| Net Gain on Foreign Currency transactions and translations | 117.35        | -             |
| Miscellaneous Income                                       | 75.98         | 60.45         |
| <b>Total</b>   | <b>304.30</b> | <b>248.55</b> |



## Notes forming part of the Financial Statements

### 19. COST OF MATERIALS CONSUMED

| Particulars                      | 2014-15          | 2013-14          |
|----------------------------------|------------------|------------------|
| Resins                           | 77,626.08        | 66,245.06        |
| Others                           | 11,862.30        | 8,030.76         |
| <b>Cost of Material Consumed</b> | <b>89,488.38</b> | <b>74,275.82</b> |

### 20. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

| Particulars                              | 2014-15           | 2013-14           |
|--|-------------------|-------------------|
| Inventories At the End of the Year       |                   |                   |
| Finished Goods                           | 11,907.04         | 9,486.60          |
| Stock In Trade                           | 3,052.04          | 2,639.37          |
|  | 14,959.08         | 12,125.97         |
| Inventories At the Beginning of the Year |                   |                   |
| Finished Goods                           | 9,486.60          | 6,725.14          |
| Stock In Trade                           | 2,639.37          | 2,215.32          |
|  | 12,125.97         | 8,940.46          |
| <b>Net (Increase) / Decrease</b>         | <b>(2,833.11)</b> | <b>(3,185.51)</b> |

### 21. EMPLOYEE BENEFITS EXPENSES

| Particulars   | 2014-15         | 2013-14         |
|---|-----------------|-----------------|
| Salaries and Wages  | 2,579.62        | 2,174.62        |
| Contribution to Provident and Other Funds (Refer Note No. 27) | 119.15          | 86.55           |
| Staff Welfare Expenses  | 118.94          | 86.77           |
| <b>Total</b>  | <b>2,817.71</b> | <b>2,347.94</b> |

### 22. FINANCE COSTS

| Particulars                              | 2014-15         | 2013-14         |
|--|-----------------|-----------------|
| Interest Expenses                        |                 |                 |
| Borrowings                               | 1,094.78        | 721.50          |
| Others                                   | 14.65           | 13.04           |
| Other Borrowing Costs                    | 184.44          | 86.82           |
| Expenses on Foreign Currency Transaction | 1,045.82        | 2,226.91        |
| <b>Total</b>                             | <b>2,339.69</b> | <b>3,048.27</b> |



## Notes forming part of the Financial Statements

### 23. OTHER EXPENSES

| Particulars  | 2014-15          | 2013-14<br>(₹ In Lacs) |
|--|------------------|------------------------|
| Consumption of Stores and Spares                           | 538.85           | 652.18                 |
| Consumption of Packing Material                            | 1,312.92         | 1,116.51               |
| Power and Fuel   | 2,721.08         | 2,036.13               |
| Rent Expenses *  | 230.04           | 156.08                 |
| Repairs Expenses   |                  |                        |
| Repairs to Buildings                                       | 92.48            | 113.53                 |
| Repairs to Machinery                                       | 140.17           | 138.29                 |
| Repairs Others   | 44.68            | 51.53                  |
| Insurance Expenses   | 179.23           | 135.87                 |
| Rates & Taxes  | 27.18            | 29.01                  |
| Communication Expenses                                     | 94.57            | 81.56                  |
| Travelling Expenses  | 527.92           | 501.58                 |
| Factory & Other Expenses                                   | 174.35           | 153.05                 |
| Printing & Stationary                                      | 29.54            | 35.23                  |
| Freight & Forwarding                                       | 1,964.01         | 1,703.00               |
| Changes in Excise Duty on Inventories                      | (22.31)          | 209.33                 |
| Commission   | 128.13           | 150.84                 |
| Discount on Sales  | 1,734.44         | 2,273.62               |
| Sales Promotions   | 2,783.65         | 1,780.68               |
| Directors Sitting Fees                                     | 1.70             | -                      |
| Donations & Contributions                                  | 2.67             | 13.37                  |
| Expenditure on Corporate Social Responsibility             | 160.00           | -                      |
| Security Service Charges                                   | 163.74           | 131.98                 |
| Legal & Professional **                                    | 386.17           | 295.51                 |
| Payments to Auditors ***                                   | 16.81            | 11.52                  |
| Bad Debts Written Off                                      | -                | 20.53                  |
| Provision for Doubtful Trade and Other Receivables         | 65.67            | 48.93                  |
| Net Loss on Foreign Currency transactions and translations | -                | 463.37                 |
| Share of Loss from Partnership Firm                        | 15.61            | -                      |
| Loss on Sale of Assets (Net)                               | 1.61             | 9.40                   |
| Other Expenses   | 256.97           | 208.46                 |
| <b>Total</b>   | <b>13,771.88</b> | <b>12,521.09</b>       |

\* The Company is lessee under various operating leases under which rental expenses for the year was ₹230.04 Lacs (Previous year: ₹156.08 Lacs). The Company has not executed any non-cancellable lease agreement.

### PAYMENT TO AUDITORS (EXCLUDING SERVICE TAX)

| Particulars   | 2014-15      | 2013-14<br>(₹ In Lacs) |
|---|--------------|------------------------|
| To Statutory Auditors ***   |              |                        |
| For Statutory Audit   | 9.50         | 8.00                   |
| For Other Services @  | 7.28         | 3.52                   |
| For Reimbursement of Expenses   | 0.03         | -                      |
| <b>Total</b>  | <b>16.81</b> | <b>11.52</b>           |
| @ Excludes remuneration for professional services debited to Securities Premium Account related to QIP Issue.   | 23.00        | -                      |
| @ Excludes remuneration debited to Securities Premium Account related to QIP issue for professional services rendered by firms of auditors in which some of the partners of the statutory auditors firm are partners. | 1.00         | -                      |
| To Cost Auditor for Cost Audit **   | 1.25         | 1.25                   |



## Notes forming part of the Financial Statements

### 24. EARNINGS PER SHARE

| Particulars                                       | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| Profit After Tax (₹ In Lacs)                      | 6,884.49                              | 7,720.51                              |
| Weighted Average No. of Equity Shares Outstanding | 11,42,16,906                          | 5,61,90,280                           |
| Nominal Value of shares (₹)                       | 1                                     | 2                                     |
| Basic & Diluted Earnings Per Share (In ₹)         | 6.03                                  | 6.87                                  |

Pursuant to the approval of the shareholders at the Annual General Meeting held on August 25, 2014, the Board of Directors of the Company at its meeting held on the date had approved sub-division of its equity share of the face value of ₹2 each into 2 (Two) equity shares of ₹1 each.

Consequently, the Earnings per Share (EPS) has been adjusted as required under AS-20 Earnings Per Share.

### 25. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

| Particulars  | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|--|
| <b>Contingent Liabilities</b>  |                                       |  |
| Letters of Credits for Purchases   | 48.98                                 | 149.75   |
| Central Sales Tax under appeal   | 50.85                                 | -  |
| Guarantee Given by Company on behalf of Joint Venture for availing borrowing from local Bank | 1,989.87                              | 1,972.01   |
| <b>Commitments</b>   |                                       |  |
| Capital Contracts remaining to be executed (Net of Advances)                                 | 3,765.98                              | 1,363.84   |

### 26. INTEREST IN JOINT VENTURE

The Company has 37.50% ownership interest in joint venture company Astral Pipes Limited ('APL'), incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. in the said joint venture company is given below:

| Particulars                                  | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|--|
| Assets                                       | 1,506.35                              | 1,432.90   |
| Liabilities                                  | 962.88                                | 734.40   |
| Income                                       | 758.87                                | 438.72   |
| Expenses                                     | 902.26                                | 475.32   |
| (including Depreciation and taxation)        |                                       |  |
| Capital Commitments remaining to be executed | 104.42                                | -  |

### 27. EMPLOYEE BENEFITS

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below:

#### Defined Contribution Plan:

Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note No. 21 ₹90.65 Lacs (Previous Year: ₹77.00 Lacs).

#### Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

#### General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.



## Notes forming part of the Financial Statements

### Status of Defined Benefit Plans/Long term Compensated Absences – As per Actuarial Valuations as on 31st March, 2015:

- a) Reconciliation of opening and closing balances of the present value of the Defined benefit Obligation :

(₹ In Lacs)

| Particulars                               | Gratuity      |               | Leave Encashment |              |
|---|---------------|---------------|------------------|--------------|
|   | 2014-15       | 2013-14       | 2014-15          | 2013-14      |
| Obligations at the beginning of the year  | 120.34        | 104.96        | 10.93            | 4.49         |
| Current service cost                      | 16.90         | 17.22         | 8.93             | 8.20         |
| Interest cost                             | 11.20         | 8.66          | 1.02             | 0.37         |
| Actuarial (gain) / loss                   | 11.97         | (3.75)        | 8.71             | (2.13)       |
| Benefits paid                             | (11.27)       | (6.75)        | (7.83)           | -            |
| <b>Obligations at the end of the year</b> | <b>149.14</b> | <b>120.34</b> | <b>21.76</b>     | <b>10.93</b> |

- b) Reconciliation of opening and closing balances of the fair value of plan assets :

(₹ In Lacs)

| Particulars  | Gratuity      |               | Leave Encashment |         |
|--|---------------|---------------|------------------|---------|
|  | 2014-15       | 2013-14       | 2014-15          | 2013-14 |
| Plan assets at the beginning of the year, at fair value  | 166.85        | 133.04        | -                | -       |
| Expected return on plan assets                           | 14.52         | 11.57         | -                | -       |
| Actuarial gain / (loss)                                  | (2.91)        | 1.01          | -                | -       |
| Contributions  | 28.95         | 27.98         | -                | -       |
| Benefits paid  | (11.27)       | (6.75)        | -                | -       |
| <b>Plan assets at the end of the year, at fair value</b> | <b>196.14</b> | <b>166.85</b> | -                | -       |
| <b>Actual return on plan assets</b>                      | <b>11.61</b>  | <b>12.58</b>  | -                | -       |

- c) Reconciliation of the present value of the defined benefit obligation & fair value of plan assets :

(₹ In Lacs)

| Particulars   | Gratuity       |                | Leave Encashment |              |
|---|----------------|----------------|------------------|--------------|
|   | 2014-15        | 2013-14        | 2014-15          | 2013-14      |
| Obligations at the end of the year                                    | 149.14         | 120.34         | 21.76            | 10.94        |
| Plan assets at the end of the year, at fair value                     | (196.14)       | 166.86         | -                | -            |
| <b>Liability/(Assets) recognized in Balance sheet as on 31-Mar-15</b> | <b>(47.00)</b> | <b>(46.52)</b> | <b>21.76</b>     | <b>10.94</b> |

- d) Cost for the year :

(₹ In Lacs)

| Particulars   | Gratuity     |             | Leave Encashment |             |
|---|--------------|-------------|------------------|-------------|
|   | 2014-15      | 2013-14     | 2014-15          | 2013-14     |
| Current service cost  | 16.90        | 17.22       | 8.93             | 8.20        |
| Interest cost   | 11.20        | 8.66        | 1.02             | 0.37        |
| Expected return on plan assets                                | (14.52)      | (11.57)     | -                | -           |
| Actuarial (Gains)/Loss  | 14.88        | (4.76)      | 8.71             | (2.13)      |
| <b>Expense recognized in the Statement of Profit and Loss</b> | <b>28.46</b> | <b>9.55</b> | <b>18.66</b>     | <b>6.44</b> |

- e) Investment details of plan assets :

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

- f) Actuarial Assumptions :

| Particulars                     | Gratuity                                 |         | Leave Encashment                         |         |
|---------------------------------|--|---------|--|---------|
|                                 | 2014-15                                  | 2013-14 | 2014-15                                  | 2013-14 |
| Discount Rate                   | 7.94%                                    | 9.31%   | 7.94%                                    | 9.31%   |
| Expected return on plan assets  | 7.94%                                    | 8.70%   | -  | -       |
| Annual Increase in Salary Costs | 5.00%                                    | 5.00%   | 5.00%                                    | 5.00%   |
| Mortality Tables                | Indian Assured Lives Mortality (2006-08) |         | Indian Assured Lives Mortality (2006-08) |         |

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

## Notes forming part of the Financial Statements

- g) Experience Adjustments of Gratuity :

| Particulars   | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
|---|---------|---------|---------|---------|---------|
| Defined Benefit Obligation at the end of the period | 149.14  | 120.34  | 104.96  | 79.01   | 53.51   |
| Plan Assets at the end of the period                | 196.14  | 166.86  | 133.04  | 105.30  | 75.65   |
| Funded Status                                       | (47.00) | (46.52) | (28.08) | (26.29) | (22.14) |
| Experience Adjustments on Plan Liabilities          | --      | --      | --      | --      | --      |
| Experience Adjustments on Plan Assets               | --      | --      | --      | --      | --      |

- h) Contributions expected to be paid to the plan during the next financial year ₹Nil (Previous Year : Nil)

## 28. DERIVATIVE INSTRUMENTS

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts and Currency Options for speculative purposes.

- a) Outstanding Forward Exchange Contracts entered into by the Company :

| As at          | No. of Contracts | Buy / Sell | US \$ Equivalent (Lacs) | INR Equivalent (Lacs) |
|----------------|------------------|------------|-------------------------|-----------------------|
| March 31, 2015 | 3                | Buy        | 41.00                   | 2,500.00              |
| March 31, 2014 | 3                | Buy        | 41.99                   | 2,514.52              |

Expenditure on account of premium on forward exchange contracts to be recognized in the Statement of Profit and Loss of subsequent accounting period aggregates to ₹81.53 Lacs (Previous Year: ₹99.41 Lacs).

- b) Outstanding Option Contracts entered into by the Company :

| As at          | No. of Contracts | Buy / Sell | US \$ Equivalent (Lacs) | INR Equivalent (Lacs) |
|----------------|------------------|------------|-------------------------|-----------------------|
| March 31, 2015 | 2                | Buy        | 61.25                   | 3,828.13              |
| March 31, 2014 | 2                | Buy        | 30.00                   | 1,796.70              |

- c) Interest rate swaps to hedge against fluctuations in interest rate changes: No. of contracts:1 (Previous Year: Nil)

Foreign Currency Exposures not hedged by derivative instruments as at 31<sup>st</sup> March, 2015 on payable amounting US\$ 391.36 Lacs and EURO 2.41 Lacs Equivalent ₹24,621.86 Lacs (Previous Year: US\$ 310.79 Lacs, EURO 11.47 Lacs and GBP 0.01 Lacs Equivalent ₹19,557.69 Lacs) and on receivables amounting US\$ 2.50 Lacs and GBP 5.52 Lacs Equivalent ₹665.89 Lacs (Previous Year: US\$ 6.66 Lacs and GBP Nil Equivalent ₹398.54 Lacs).

Foreign Exchange Loss (Net) of ₹928.47 Lacs (Previous Year: Exchange Loss (Net) of ₹2,647.84 Lacs) for the year has been included in respective heads of Statement of Profit and Loss.

## 29. RELATED PARTY DISCLOSURES.

1. Name of the party and relationships

| Sr. No. | Description of Relationship  | Name of Related Parties  |
|---------|--|--|
| a.      | Subsidiaries   | Astral Biochem Private Limited<br>Advanced Adhesives Limited<br>Seal IT Services Limited<br>Resinova Chemie Limited              |
| b.      | Enterprises over which Key Managerial Personnel are able to exercise significant influence | Kairav Chemicals Limited<br>Saumya Polymers LLP<br>Indogreen Plastic Technologies<br>Astral Charitable Trust                     |
| c.      | Joint Venture  | Astral Pipes Limited   |
| d.      | Key Management Personnel   | Mr. Sandeep P. Engineer<br>Mrs. Jagruti S. Engineer<br>Mr. K. R. Shenoy  |
| e.      | Relatives of Key Management Personnel  | Sandeep P. Engineer HUF<br>Late Mr. Bipin R. Mehta<br>Mrs. Hansa P. Engineer<br>Mr. Kairav S. Engineer<br>Mr. Saumya S. Engineer |

## Notes forming part of the Financial Statements

2. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31<sup>st</sup> March, 2015.

(₹ In Lacs)

| Sr. No.   | Particulars                                    | Subsidiaries |          | Enterprises over which Key Managerial Personnel are able to exercise significant influence |         | Joint Venture |          | Key Management Personnel |         | Relatives of Key Management Personnel |         | Total     |           |
|---|--|--------------|----------|--|---------|---------------|----------|--------------------------|---------|---------------------------------------|---------|-----------|-----------|
|   |  | 2014-15      | 2013-14  | 2014-15  | 2013-14 | 2014-15       | 2013-14  | 2014-15                  | 2013-14 | 2014-15                               | 2013-14 | 2014-15   | 2013-14   |
| <b>Part 1: Transaction During the Period</b>    |  |              |          |  |         |               |          |                          |         |                                       |         |           |           |
| 1   | Investment in Subsidiaries/ Others             | 25,969.64    | -        | 127.00   | -       | -             | -        | 875.25                   | -       | -                                     | -       | -         | 26,096.64 |
| 2   | Advance for Purchase of Non Current Investment | -            | -        | -  | -       | 50.77         | -        | -                        | -       | -                                     | -       | 50.77     | -         |
| 3   | Loans / Advances Given                         | 828.70       | -        | 81.00  | -       | -             | -        | -                        | -       | -                                     | -       | 909.70    | -         |
| 4   | Receipt towards Loan Given                     | 269.94       | -        | -  | -       | -             | -        | -                        | -       | -                                     | -       | 269.94    | -         |
| 5   | Receipt of Subscription to Share Capital       | -            | -        | -  | -       | -             | 193.42   | -                        | -       | -                                     | -       | -         | 193.42    |
| 6   | Purchase of Goods                              | 4,590.11     | 3,478.84 | -  | -       | -             | -        | -                        | -       | -                                     | -       | 4,590.11  | 3,478.84  |
| 7   | Sale of Goods                                  | 76.44        | 37.46    | 6.54   | 0.38    | 280.11        | 332.35   | -                        | -       | -                                     | -       | 363.09    | 370.19    |
| 8   | Rent Received                                  | -            | -        | 0.85   | 4.05    | -             | -        | -                        | -       | -                                     | -       | 0.85      | 4.05      |
| 9   | Dividend Paid                                  | -            | -        | 82.69  | 58.48   | -             | -        | 114.85                   | 90.24   | 25.63                                 | 20.13   | 223.17    | 168.85    |
| 10  | Interest Income                                | 9.24         | -        | -  | -       | -             | 8.51     | -                        | -       | -                                     | -       | 9.24      | 8.51      |
| 11  | Remuneration                                   | -            | -        | -  | -       | -             | 280.60   | 252.84                   | 37.06   | 34.67                                 | 317.66  | 287.51    | -         |
| 12  | Rent Paid                                      | -            | -        | 11.46  | 9.63    | -             | -        | -                        | -       | 11.54                                 | 10.86   | 23.00     | 20.49     |
| 13  | Guarantees Given                               | -            | -        | -  | -       | -             | 1,972.01 | -                        | -       | -                                     | -       | -         | 1,972.01  |
| 14  | Expenditure on Corporate Social Responsibility | -            | -        | 160.00   | -       | -             | -        | -                        | -       | -                                     | -       | 160.00    | -         |
| 15  | Share of Loss from Partnership Firm            | -            | -        | 15.60  | -       | -             | -        | -                        | -       | -                                     | -       | 15.60     | -         |
| <b>Part 2: Balance at the end of the period</b> |  |              |          |  |         |               |          |                          |         |                                       |         |           |           |
| 1   | Loan / Advances Given                          | 1,028.60     | 505.68   | 81.00  | -       | -             | -        | -                        | -       | -                                     | -       | 1,109.60  | 505.68    |
| 2   | Payables                                       | 355.56       | 188.93   | -  | -       | -             | -        | 63.53                    | 67.98   | -                                     | -       | 419.09    | 256.91    |
| 3   | Advance for Purchase of Non Current Investment | -            | -        | -  | -       | 50.77         | -        | -                        | -       | -                                     | -       | 50.77     | -         |
| 4   | Receivables                                    | -            | -        | 1.71   | -       | 90.65         | 140.81   | -                        | -       | -                                     | -       | 92.36     | 140.81    |
| 5   | Payable towards Purchase of Investment         | -            | -        | -  | -       | -             | 11.23    | -                        | -       | -                                     | -       | -         | 11.23     |
| 6   | Interest accrued on loans and deposits         | -            | 1.49     | -  | -       | -             | -        | -                        | -       | -                                     | -       | 1.49      | -         |
| 7   | Guarantee Given                                | -            | -        | -  | -       | 1,989.87      | 1,972.01 | -                        | -       | -                                     | -       | 1,989.87  | 1,972.01  |
| 8   | Investment in Subsidiaries/ Others             | 25,978.89    | 9.25     | 111.39   | -       | 1,057.70      | 1,057.70 | -                        | -       | -                                     | -       | 27,147.98 | 1,066.95  |

## Notes forming part of the Financial Statements

### 3. INFORMATION REGARDING SIGNIFICANT RELATED PARTY TRANSACTIONS/BALANCES

#### Part 1 : Transaction During the Period

(₹ In Lacs)

| SR. No. | Particulars   | 2014-15   | 2013-14  |
|---------|---|-----------|----------|
| 1       | <b>Investment in Subsidiaries/Others</b>              |           |          |
|         | Astral Pipes Limited                                  | -         | 875.25   |
|         | Seal It Services Limited                              | 4,505.02  | -        |
|         | Resinova Chemie Limited                               | 21,464.62 | -        |
| 2       | <b>Advance for Purchase of Non Current Investment</b> |           |          |
|         | Astral Pipes Limited                                  | 50.77     | -        |
| 3       | <b>Loans / Advances Given</b>                         |           |          |
|         | Seal It Services Limited                              | 813.67    | -        |
| 4       | <b>Receipt towards Loan Given</b>                     |           |          |
|         | Seal It Services Limited                              | 269.94    | -        |
| 5       | <b>Receipt of Subscription to Share Capital</b>       |           |          |
|         | Astral Pipes Limited                                  | -         | 193.42   |
| 6       | <b>Purchase of Goods</b>                              |           |          |
|         | Advanced Adhesives Limited                            | 4,590.11  | 3,478.84 |
| 7       | <b>Sale of Goods</b>                                  |           |          |
|         | Advanced Adhesives Limited                            | 76.44     | 37.46    |
|         | Astral Pipes Limited                                  | 280.11    | 332.35   |
| 8       | <b>Rent Received</b>                                  |           |          |
|         | Kairav Chemicals Limited                              | 0.85      | 4.05     |
| 9       | <b>Dividend Paid</b>                                  |           |          |
|         | Saumya Polymers LLP                                   | 74.43     | 58.48    |
|         | Mr. Sandeep P. Engineer                               | 82.85     | 65.10    |
|         | Mrs. Jagruti S. Engineer                              | 32.00     | 25.14    |
|         | Mrs. Hansa P. Engineer                                | 23.35     | 18.34    |
| 10      | <b>Interest Income</b>                                |           |          |
|         | Seal It Services Limited                              | 9.22      | -        |
|         | Astral Pipes Limited                                  | -         | 8.51     |
| 11      | <b>Remuneration</b>                                   |           |          |
|         | Mr. Sandeep P. Engineer                               | 239.10    | 221.34   |
|         | Mrs. Jagruti S. Engineer                              | 41.00     | 29.50    |
| 12      | <b>Rent Paid</b>                                      |           |          |
|         | Kairav Chemicals Limited                              | 11.46     | 9.63     |
|         | Sandeep P. Engineer (H.U.F.)                          | 9.24      | 8.88     |
| 13      | <b>Guarantees Given</b>                               |           |          |
|         | Astral Pipes Limited                                  | -         | 1,972.01 |
| 14      | <b>Expenditure on Corporate Social Responsibility</b> |           |          |
|         | Astral Charitable Trust                               | 160.00    | -        |
| 15      | <b>Share of Loss from Partnership Firm</b>            |           |          |
|         | IndoGreen Plastic Technologies                        | 15.61     | -        |



## Notes forming part of the Financial Statements

### Part 2 : Balance at the end of the period

(₹ In Lacs)

| SR. No. | Particulars   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---------|---|---------------------------------------|---------------------------------------|
| 1       | <b>Loan / Advances Given</b>                          |                                       |                                       |
|         | Astral Biochem Private Limited                        | 520.73                                | 505.68                                |
|         | Seal It Services Limited                              | 507.87                                | -                                     |
| 2       | <b>Payables</b>                                       |                                       |                                       |
|         | Advanced Adhesives Limited                            | 355.56                                | 188.93                                |
|         | Mr. Sandeep P. Engineer                               | 63.53                                 | 67.53                                 |
| 3       | <b>Advance for Purchase of Non Current Investment</b> |                                       |                                       |
|         | Astral Pipes Limited                                  | 50.77                                 | -                                     |
| 4       | <b>Receivables</b>                                    |                                       |                                       |
|         | Astral Pipes Limited                                  | 90.65                                 | 140.81                                |
| 5       | <b>Payable Towards Purchase of Investment</b>         |                                       |                                       |
|         | Astral Pipes Limited                                  | -                                     | 11.23                                 |
| 6       | <b>Interest accrued on loans and deposits</b>         |                                       |                                       |
|         | Seal It Services Limited                              | 1.49                                  | -                                     |
| 7       | <b>Guarantee Given</b>                                |                                       |                                       |
|         | Astral Pipes Limited                                  | 1,989.87                              | 1,972.01                              |
| 8       | <b>Investment in Subsidiaries/Others</b>              |                                       |                                       |
|         | Advanced Adhesives Limited                            | 4.25                                  | 4.25                                  |
|         | Astral Biochem Private Limited                        | 5.00                                  | 5.00                                  |
|         | Seal It Services Limited                              | 4,505.02                              | -                                     |
|         | Resinova Chemie Limited                               | 21,464.62                             | -                                     |
|         | IndoGreen Plastic Technologies                        | 111.39                                | -                                     |
|         | Astral Pipes Limited                                  | 1,057.70                              | 1,057.70                              |

### 30. SEGMENT REPORTING

The Company is engaged mainly in production of plastic products and as such this is the only reportable business segment as per Accounting Standard on Segment Reporting (AS – 17) notified under the Companies (Accounting Standards) Rules, 2006. There are no Geographical Segments as export turnover is not significant in respect of total turnover.

**31.** On 10th December 2014, the company allotted 59,84,519 Equity Shares of ₹1 each for cash at a premium of ₹401.52 per equity shares aggregating to ₹24,088.89 Lacs, pursuant to shares issued under Qualified Institutional Placement (QIP). The company has utilized all the proceeds as per offer document, there is no unutilized fund as on 31st March 2015.

### 32. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED

| Sr.<br>No. | Particulars  | 2014-15          |                        | 2013-14          |                        |
|------------|--------------|------------------|------------------------|------------------|------------------------|
|            |              | Value in Lacs    | % of Total Consumption | Value in Lacs    | % of Total Consumption |
| 1          | Imported     | 44,054.14        | 49.23                  | 35,708.22        | 48.08                  |
| 2          | Indigenous   | 45,434.24        | 50.77                  | 38,567.60        | 51.92                  |
|            | <b>Total</b> | <b>89,488.38</b> | <b>100.00</b>          | <b>74,275.82</b> | <b>100.00</b>          |

### 33. VALUE OF IMPORTED AND INDIGENOUS STORES & SPARES CONSUMED

| Sr.<br>No. | Particulars  | 2014-15       |                        | 2013-14       |                        |
|------------|--------------|---------------|------------------------|---------------|------------------------|
|            |              | Value in Lacs | % of Total Consumption | Value in Lacs | % of Total Consumption |
| 1          | Imported     | 0.65          | 0.12                   | 62.94         | 9.65                   |
| 2          | Indigenous   | 538.20        | 99.88                  | 589.24        | 90.35                  |
|            | <b>Total</b> | <b>538.85</b> | <b>100.00</b>          | <b>652.18</b> | <b>100.00</b>          |

## Notes forming part of the Financial Statements

### 34. EARNINGS AND EXPENSES IN FOREIGN CURRENCY AND CIF VALUE OF IMPORTS

|  |                   |                   |
|--|-------------------|-------------------|
| a) CIF Value of Imports                            | (₹ In Lacs)       |                   |
| <b>Particulars</b>                                 | <b>2014-15</b>    | <b>2013-14</b>    |
| Capital Goods                                      | 278.62            | 226.87            |
| Raw Materials & Traded Goods                       | 40,101.53         | 36,214.85         |
| b) Expenditure in foreign currency                 | (₹ In Lacs)       |                   |
| <b>Particulars</b>                                 | <b>2014-15</b>    | <b>2013-14</b>    |
| Interest   | 321.22            | 295.28            |
| Professional Fees                                  | 221.54            | 186.23            |
| Travelling   | 61.78             | 115.51            |
| Others   | 72.26             | 24.15             |
| c) Dividend Remitted to Non-resident Shareholders  |                   |                   |
| <b>Particulars</b>                                 | <b>2014-15</b>    | <b>2013-14</b>    |
| Number of Non-resident Shareholders                | 1                 | 1                 |
| Number of shares held by Non-resident Shareholders | 79,55,770         | 51,58,015         |
| Amount remitted during the year (₹In Lacs)         | 27.85             | 28.36             |
| Year to which dividend relates                     | 2013-14 & 2014-15 | 2012-13 & 2013-14 |
| d) Earnings in foreign currency                    | (₹ In Lacs)       |                   |
| <b>Particulars</b>                                 | <b>2014-15</b>    | <b>2013-14</b>    |
| Value of Export Sales (FOB Basis)                  | 1,742.98          | 1,913.72          |
| Interest Income                                    | 9.22              | Nil               |

35. Previous year's figures have been regrouped and reclassified, wherever necessary, so as to make them comparable.

For and on behalf of the Board of Directors

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Independent Auditors' Report

To The Members of **Astral Poly Technik Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **ASTRAL POLY TECHNIK LIMITED** (hereinafter referred to as "The Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and a jointly controlled entity comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors/Partners of the subsidiaries included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

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

### **Other Matters**

We did not audit the financial statements of five subsidiaries and a jointly controlled entity whose financial statements reflect total assets of ₹18,663.53 Lacs as at 31<sup>st</sup> March, 2015 / 31<sup>st</sup> December, 2014, total revenues of ₹21,118.85 Lacs and net cash outflows amounting to ₹451.80 Lacs for the years ended on those dates, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.



Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, 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, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entity – Refer Note 25 to the consolidated financial statements.
    - ii. The Group and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For, **Deloitte Haskins & Sells**  
 Chartered Accountants  
 (Firm's Registration No. 117365W)

**(Kartikeya Raval)**

(Partner)

(Membership No. 106189)

Date : 28<sup>th</sup> May, 2015  
 Place : Ahmedabad



## Annexure to the Independent Auditor's Report on The Consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes three subsidiary companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect to these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company and subsidiary companies incorporated in India:
  - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company and subsidiary companies incorporated in India:
  - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
  - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company and subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and the subsidiary companies incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit no major weaknesses in such internal control system has been observed.
- (v) According to the information and explanations given to us and the other auditors, the Holding Company and the subsidiary companies incorporated in India have not accepted any deposit during the year.
- (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company and the subsidiary companies incorporated in India, except for one subsidiary company incorporated in India, are not required to maintain the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. In respect of the subsidiary company required to maintain the prescribed cost records, in the opinion of the other auditor and according to the explanation given to the other auditor, the subsidiary company has made and maintained the prescribed cost records pursuant to the Companies (Cost Record and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. The other auditor has, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and the other auditors in respect of statutory dues of the Holding company and subsidiary companies incorporated in India:
  - (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
  - (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes by the aforesaid entities.
  - (d) There are no amounts that are due to be transferred by the aforesaid entities to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.



- (viii) The Group and jointly controlled entity does not have consolidated accumulated losses at the end of the financial year and the Group and jointly controlled entity have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not defaulted in the repayment of dues to banks and financial institutions. The Holding Company and subsidiary companies incorporated in India have not issued any debentures.
- (x) According to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company and subsidiary companies incorporated in India during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company and subsidiary companies, incorporated in India and no material fraud on the Holding Company and subsidiary companies incorporated in India has been noticed or reported during the year.

For, **Deloitte Haskins & Sells**  
 Chartered Accountants  
 (Firm's Registration No. 117365W)

**(Kartikeya Raval)**

(Partner)

(Membership No. 106189)

Date : 28<sup>th</sup> May, 2015

Place : Ahmedabad



## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015

(₹ In Lacs)

| Particulars                              | Note         | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|--------------|---------------------------------------|---------------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>         |              |                                       |                                       |
| <b>Share Holders' Funds</b>              |              |                                       |                                       |
| Share Capital                            | 1            | 1,183.65                              | 1,123.81                              |
| Reserves & Surplus                       | 2            | 60,694.49                             | 30,407.92                             |
|  |              | <b>61,878.14</b>                      | <b>31,531.73</b>                      |
| <b>Minority Interest</b>                 |              | <b>1,653.03</b>                       | <b>72.40</b>                          |
| <b>Non Current Liabilities</b>           |              |                                       |                                       |
| Long Term Borrowings                     | 3            | 12,127.67                             | 8,060.58                              |
| Deferred Tax Liabilities (Net)           | 4            | 1,766.31                              | 1,182.75                              |
| Other Long Term Liabilities              | 5            | 33.48                                 | -                                     |
| Long Term Provisions (Employee Benefits) |              | 108.79                                | 10.12                                 |
|  |              | <b>14,036.25</b>                      | <b>9,253.45</b>                       |
| <b>Current Liabilities</b>               |              |                                       |                                       |
| Short Term Borrowings                    | 6            | 1,744.23                              | 1,773.22                              |
| Trade Payables                           | 7            | 26,570.19                             | 18,488.26                             |
| Other Current Liabilities                | 8            | 9,857.82                              | 7,653.10                              |
| Short Term Provisions                    | 9            | 791.16                                | 664.57                                |
|  |              | <b>38,963.40</b>                      | <b>28,579.15</b>                      |
|  | <b>Total</b> | <b>1,16,530.82</b>                    | <b>69,436.74</b>                      |
| <b>II. ASSETS</b>                        |              |                                       |                                       |
| <b>Non Current Assets</b>                |              |                                       |                                       |
| Fixed Assets                             | 10           |                                       |                                       |
| Tangible Assets                          |              | 34,236.00                             | 28,877.35                             |
| Intangible Assets                        |              | 8.29                                  | -                                     |
| Capital Work In Progress                 |              | 2,683.23                              | 820.07                                |
| Goodwill on Consolidation                |              | 21,439.37                             | 52.73                                 |
| Long Term Loans and Advances             | 11           | 1,355.75                              | 1,030.48                              |
|  |              | <b>59,722.64</b>                      | <b>30,780.63</b>                      |
| <b>Current Assets</b>                    |              |                                       |                                       |
| Inventories                              | 12           | 26,555.06                             | 19,497.29                             |
| Trade Receivables                        | 13           | 23,272.39                             | 14,507.70                             |
| Cash and Cash Equivalents                | 14           | 1,152.14                              | 96.48                                 |
| Short Term Loans and Advances            | 15           | 5,659.36                              | 4,507.11                              |
| Other Current Assets                     | 16           | 169.23                                | 47.53                                 |
|  |              | <b>56,808.18</b>                      | <b>38,656.11</b>                      |
|  | <b>Total</b> | <b>1,16,530.82</b>                    | <b>69,436.74</b>                      |

**See accompanying notes forming part of  
the Consolidated Financial Statements**

In terms of our report attached

For and on behalf of the Board of Directors

For, Deloitte Haskins & Sells  
Chartered Accountants

(Sandeep P. Engineer)  
Managing Director

(Jagruti S. Engineer)  
Whole Time Director

(Kartikeya Raval)  
Partner

(Hiranand A. Savlani)  
Chief Financial Officer

(Krunal D. Bhatt)  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad



## Consolidated Statement of Profit and Loss for the Year ended on 31<sup>st</sup> March, 2015 (₹ In Lacs)

| Particulars  | Note         | 2014-15            | 2013-14            |
|--|--------------|--------------------|--------------------|
| <b>INCOME</b>  |              |                    |                    |
| Revenue from Operations (Gross)  |              | 1,55,633.60        | 1,17,860.75        |
| <b>Less : Excise duty</b>  |              | 12,695.92          | 9,896.83           |
| Revenue from Operations (Net)  | 17           | 1,42,937.68        | 1,07,963.92        |
| Other Income   | 18           | 363.24             | 243.59             |
|  | <b>Total</b> | <b>1,43,300.92</b> | <b>1,08,207.51</b> |
| <b>EXPENSES</b>  |              |                    |                    |
| Cost of Materials Consumed   |              | 1,03,502.59        | 74,274.46          |
| Purchase of Stock In Trade   |              | 3,799.45           | 6,250.40           |
| Changes in Inventories of Finished Goods,<br>Stock In Trade and Work in Progress               | 19           | (2,355.34)         | (3,263.01)         |
| Employee Benefits Expenses   | 20           | 4,804.50           | 2,445.48           |
| Finance Costs  | 21           | 2,545.09           | 3,112.42           |
| Depreciation and Amortization Expenses   | 10           | 3,641.93           | 2,191.06           |
| Other Expenses   | 22           | 16,410.86          | 12,743.28          |
|  | <b>Total</b> | <b>1,32,349.08</b> | <b>97,754.09</b>   |
| <b>Profit Before Tax</b>   |              | <b>10,951.84</b>   | <b>10,453.42</b>   |
| Tax Expenses:  |              |                    |                    |
| Current Tax  |              | 2,739.22           | 2,513.88           |
| <b>Less: MAT Credit Entitlement</b>  |              | -                  | (419.12)           |
| Short / (Excess) Provision of tax relating to prior years                                      |              | (170.29)           | 32.43              |
| Net Current Tax Expense  |              | 2,568.93           | 2,127.19           |
| Deferred Tax   |              | 565.46             | 396.46             |
|  |              | <b>3,134.39</b>    | <b>2,523.65</b>    |
| <b>Profit After Tax (Before Adjustment for Minority Interest)</b>                              |              | <b>7,817.45</b>    | <b>7,929.77</b>    |
| <b>Less: Share of Profit attributable to Minority Interest</b>                                 |              | 228.05             | 38.31              |
| <b>Profit for the Year attributable to the Shareholders of the Company</b>                     |              | <b>7,589.40</b>    | <b>7,891.46</b>    |
| Earnings Per Share: (In ₹) Face Value of ₹1/- each<br>(Previous Year: Face Value of ₹2/- each) |              |                    |                    |
| Basic & Diluted  | 24           | 6.64               | 7.02               |
| <b>See accompanying notes forming part<br/>of the Consolidated Financial Statements</b>        |              |                    |                    |

In terms of our report attached

For and on behalf of the Board of Directors

For, **Deloitte Haskins & Sells**  
Chartered Accountants

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Kartikeya Raval)**  
Partner

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

## Consolidated Cash Flow Statement for the Year ended on 31<sup>st</sup> March, 2015

(₹ In Lacs)

| No.      | Particulars   | 2014-15            | 2013-14           |
|----------|---|--------------------|-------------------|
| <b>A</b> | <b>Cash flow from Operating Activities</b>                          |                    |                   |
|          | <b>Profit before tax</b>  | <b>10,951.84</b>   | <b>10,453.42</b>  |
|          | <b>Adjustments for :</b>  |                    |                   |
|          | Depreciation & Amortization   | 3,641.93           | 2,191.06          |
|          | Finance Costs   | 2,545.09           | 3,087.95          |
|          | Provision for doubtful debts  | 80.40              | 69.47             |
|          | Unrealised Foreign Exchange Fluctuation Loss                        | 301.08             | 24.48             |
|          | Loss on Sale of Fixed Assets  | 1.41               | 9.40              |
|          | Gain on Sale of Current Investment                                  | (34.18)            | (92.70)           |
|          | Interest Income   | (72.35)            | (90.44)           |
|          | Liabilities no longer required (Net)                                | (8.52)             | -                 |
|          | <b>Operating profit before Working Capital Changes</b>              | <b>17,406.70</b>   | <b>15,652.64</b>  |
|          | <b>Adjustments for :</b>  |                    |                   |
|          | Increase in Inventories   | (331.70)           | (4,450.76)        |
|          | Increase in Trade & Other Receivables                               | (5,214.43)         | (4,622.03)        |
|          | Increase in Trade Payables, Other Liabilities and Provisions        | 2,481.91           | 2,450.91          |
|          | <b>Cash generated from Operations</b>                               | <b>14,342.48</b>   | <b>9,030.76</b>   |
|          | Direct Taxes Paid   | (2,644.70)         | (2,288.18)        |
|          | <b>Net Cash flow from Operating Activities</b>                      | <b>11,697.78</b>   | <b>6,742.58</b>   |
| <b>B</b> | <b>Cash flow from Investing Activities</b>                          |                    |                   |
|          | Capital Expenditure on Fixed Assets including Capital Advances      | (8,575.38)         | (9,241.72)        |
|          | Proceeds from Sales of Fixed Assets                                 | 30.48              | 14.88             |
|          | Interest Received   | 72.35              | 90.44             |
|          | Gain on Sale of Current Investment                                  | 34.18              | 92.70             |
|          | <b>Purchase/Acquisition of Long-term Investments</b>                |                    |                   |
|          | - Joint Ventures - Jointly Controlled Entities                      | -                  | (69.04)           |
|          | - Subsidiaries  | (25,910.69)        | -                 |
|          | <b>Net Cash flow used in Investing Activities</b>                   | <b>(34,349.06)</b> | <b>(9,112.74)</b> |
| <b>C</b> | <b>Cash flow from Financing Activities</b>                          |                    |                   |
|          | Net Proceeds from issue of Equity Shares through QIP                | 23,586.58          | -                 |
|          | Proceeds from Long Term Borrowings                                  | 9,209.47           | 5,431.04          |
|          | Repayment of Long Term Borrowings                                   | (4,846.05)         | (2,317.99)        |
|          | Proceeds/(Repayment) from Short Term Borrowings (Net)               | (1,232.55)         | 1,650.84          |
|          | Interest Paid   | (2,545.09)         | (3,087.95)        |
|          | Dividend paid (including dividend distribution tax)                 | (465.23)           | (361.56)          |
|          | <b>Net Cash flow from Financing Activities</b>                      | <b>23,707.13</b>   | <b>1,314.38</b>   |
|          | <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b> | <b>1,055.85</b>    | <b>(1,055.78)</b> |
|          | Cash and Cash Equivalents At the Beginning of the Year              | 96.48              | 1,152.27          |
|          | Effect of Foreign Exchange rate change                              | (0.19)             | (0.01)            |
|          | <b>Cash and Cash Equivalents At the end of the Year</b>             | <b>1,152.14</b>    | <b>96.48</b>      |

- Note :**
1. Cash and Cash Equivalents represent Cash and Bank Balances. (Refer Note no. 14)
  2. Fixed Deposits of ₹0.87 Lacs (Previous Year: ₹0.99 Lacs) are pledged with a bank towards Letters of Credit / Bank Guarantees.
  3. Cash and Cash Equivalents include ₹2.25 Lacs (Previous Year: ₹2.11 Lacs) of unclaimed dividend not available for use by the Company.
  4. Previous year's figures have been regrouped / rearranged wherever necessary.
  5. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements prescribed under Companies (Accounting Standard) Rules, 2006.

In terms of our report attached

For and on behalf of the Board of Directors

For, **Deloitte Haskins & Sells**  
Chartered Accountants

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

**(Kartikeya Raval)**  
Partner

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

## Significant Accounting Policies To The Consolidated Financial Statements

### a) Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries and a jointly controlled entity (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for land which is carried at revalued amount. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

### b) Principles of Consolidation

The Consolidated Financial Statements relate to Astral Poly Technik Limited ("the Company"), its subsidiary companies and a jointly controlled entity. The Consolidated Financial Statements have been prepared on the following basis.

- The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31<sup>st</sup> March, 2015 and in case of joint venture the financial statements used in the consolidation are drawn up to 31<sup>st</sup> December, 2014. There are no significant transactions and other events between the reporting dates of the financial statements of the JV and these consolidated financial statements.
- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions and resulting unrealized profits or losses unless cost can not be recovered.
- In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- In case of foreign joint venture, income and expenditure items are converted at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gains/ losses arising on conversion are recognised under Foreign Currency Translation Reserve.
- Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.
- The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill'/'Capital Reserve' is determined separately for each subsidiary company / jointly controlled entity and such amounts are not set off between different entities.
- Minority Interest is the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- Goodwill arising on consolidation is not amortised but tested for impairment.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

### c) Use of Estimates

The preparation of the financial statements in conformity with Indian Generally Accepted Accounting Principles (GAAP) 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. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

### d) Inventories

Inventories are valued at lower of cost on FIFO basis and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable, excise duty.

### e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the information.

### f) Depreciation

Depreciation on tangible fixed assets of the Company and its Indian Subsidiaries has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Assets costing less than ₹5000/- individually is fully depreciated in the year of acquisition.

Intangible assets are amortized over their estimated useful life on a straight line basis over a period of 5 years.

Depreciation on the tangible fixed assets of the Company's foreign subsidiary has been provided on straight-line method as per the estimated useful life of such assets as follows:

- o Building - 25 years
- o Plant and Equipment - 5 years
- o Furniture and fixtures - 5 years
- o Vehicles - 5 years
- o Office Equipment and Computers - 5 years

In case of a Joint Venture, depreciation is calculated on written down value basis. The depreciation charge in respect of the entity is not significant in the context of the consolidated financial statements.

#### **g) Revenue Recognition**

Sales are recognized, net of returns, trade discounts, Sales Tax and VAT on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Excise duties collected on Sales are shown by way of deduction from Sales.

#### **h) Other Income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

#### **i) Fixed Assets (Tangible / Intangible)**

Fixed assets, except land are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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 and related incidental expenses.

Intangible assets under development:

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

#### **j) Foreign Currency Transactions**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. The Company has not exercised the option for capitalization or amortization of exchange differences on long term foreign currency monetary items as provided by notification issued by the Ministry of Corporate Affairs.

In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the contract is recognized as income or expense over the life of the contract. Exchange differences on such a contract are recognized in the Consolidated Statement of Profit and Loss in the period in which the exchange rates change.

Investments in shares of foreign subsidiaries and other entities are expressed in reporting currency at the rates of exchange prevailing at the time when original investments were made.

#### **k) Investments**

Long Term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees, duties etc.

#### **l) Employee Benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan:

The Company's contribution to Provident Fund and employees state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**Short-term employee benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

**Long-term employee benefits:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

**m) Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets.

**n) Lease**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Operating lease rentals are expensed with reference to lease terms and other considerations. Lease rentals should be recognized on straight line basis. There are no finance leases.

**o) Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves is recognised in reserves and not in the Consolidated Statement of Profit and Loss.

**p) Research & Development Expenditure**

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

**q) Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**r) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**s) Insurance Claims**

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

**t) Share Issue Expenses**

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account are expensed in the Consolidated Statement of Profit and Loss.

**u) 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 has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



## Notes forming part of the Consolidated Financial Statements

### 1. SHARE CAPITAL

(₹ In Lacs)

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| <b>Authorised Share Capital</b>   |                                       |                                       |
| 15,00,00,000 Equity Shares of ₹1/- each<br>(7,50,00,000 Equity Shares of ₹2/- each)                             | 1,500.00                              | 1,500.00                              |
| <b>Issued, Subscribed &amp; Fully Paid Share Capital</b>  |                                       |                                       |
| 11,83,65,079 Equity Shares of ₹1/- each fully paid up<br>(5,61,90,280 Equity Shares of ₹2/- each fully paid up) | 1,183.65                              | 1,123.81                              |
| <b>Total</b>  | <b>1,183.65</b>                       | <b>1,123.81</b>                       |

- a) Rights, preferences and restrictions attached to shares :

The Company has issued only one class of equity shares having per value of ₹1 per Share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

- b) Reconciliation of number of Shares outstanding :

| Particulars  | No. of Shares | ₹ in Lacs  |
|--|---------------|------------|
| As at beginning of the year  | 5,61,90,280   | 1,123.81   |
|  | (2,24,76,112) | (1,123.81) |
| <b>Add:</b> Subdivision of Equity Shares of ₹ 2 each into face value of ₹ 1 each<br>(Previous Year: Subdivision of Equity Shares of ₹ 5 each in to face value of ₹ 2 each) | 5,61,90,280   | -          |
|  | (3,37,14,168) | (-)        |
| <b>Add:</b> Shares issued - pursuant to Qualified Institutional Placement (QIP)<br>(Refer Note No. 29)   | 59,84,519     | 59.84      |
|  | (-)           | (-)        |
| As at end of the year  | 11,83,65,079  | 1,183.65   |
|  | (5,61,90,280) | (1,123.81) |

Figures in the brackets are of Previous Year.

- c) The details of shareholders holding more than 5% shares as at March 31, 2015 and March 31, 2014 is set out below :

| Sr.<br>No. | Name of Shareholders  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |                      |
|------------|---|---------------------------------------|---------------------------------------|----------------------|
| 1          | Sandeep Pravinbhai Engineer   | - No. of Shares<br>- % of Shares Held | 2,36,71,410<br>20.00                  | 1,18,35,705<br>21.06 |
| 2          | Saumya Polymers LLP   | - No. of Shares<br>- % of Shares Held | 2,12,64,550<br>17.97                  | 1,06,32,275<br>18.92 |
| 3          | Jagruti Sandeep Engineer  | - No. of Shares<br>- % of Shares Held | 91,43,410<br>7.72                     | 45,71,705<br>8.14    |
| 4          | Specialty Process LLC   | - No. of Shares<br>- % of Shares Held | 79,55,770<br>6.72                     | 39,77,885<br>7.08    |
| 5          | HSBC Bank (Mauritius) Limited A/C. Jwalmukhi<br>Investment Holdings | - No. of Shares<br>- % of Shares Held | 66,92,284<br>5.65                     | 55,81,142<br>9.93    |
| 6          | Hansa Pravinbhai Engineer   | - No. of Shares<br>- % of Shares Held | 66,70,460<br>5.64                     | 33,35,230<br>5.94    |

During the year ended March 31, 2015, the Company has subdivided Equity Shares having face value of ₹2/- each into face value of ₹1/- each (Previous Year: Subdivision of Equity Shares of ₹5 each in to face value of ₹2 each). Consequently, the number of shares as at March 31, 2015 is not comparable with the same as at March 31, 2014.



## Notes forming part of the Consolidated Financial Statements

### 2. RESERVES AND SURPLUS

| Particulars  | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|--|
| <b>Capital Reserves</b>  |                                       |  |
| As per Last Balance Sheet  | 40.00                                 | 40.00  |
| <b>Capital Reserve on Consolidation</b>  | -                                     | 16.31  |
| <b>Less :</b> Capital Reserve adjusted against Goodwill on acquisition of shares (Refer Note No. 31)   | -                                     | 16.31  |
|  | -                                     | -  |
| <b>Securities Premium Account</b>  |                                       |  |
| As per Last Balance Sheet  | 3,890.73                              | 3,890.73   |
| <b>Add :</b> Premium on shares issued during the year  | 24,029.03                             | -  |
| <b>Less :</b> Utilised During the year for Shares Issues Expenses (Refer Note No. 29)  | 502.29                                | -  |
|  | 27,417.47                             | 3,890.73   |
| <b>General Reserves</b>  |                                       |  |
| As per Last Balance Sheet  | 2,595.00                              | 1,570.00   |
| <b>Add :</b> Transferred from Surplus in Consolidated Statement of Profit & Loss   | -                                     | 1,025.00   |
|  | 2,595.00                              | 2,595.00   |
| <b>Revaluation Reserves</b>  |                                       |  |
| As per Last Balance Sheet  | 121.14                                | 121.14   |
| <b>Foreign Currency Translation Reserve</b>  |                                       |  |
| As per Last Balance Sheet  | (75.24)                               | (21.53)  |
| <b>Add :</b> Effect of foreign exchange rate variations for the Year   | (185.33)                              | (53.71)  |
|  | (260.57)                              | (75.24)  |
| <b>Surplus in Consolidated Statement of Profit &amp; Loss</b>  |                                       |  |
| As per Last Balance Sheet  | 23,836.29                             | 17,397.14  |
| <b>Add :</b> Profit For the Year   | 7,589.40                              | 7,891.46   |
| <b>Less :</b> Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax ₹62.99 Lacs) (Refer Note No. 10) | 122.40                                | -  |
|  | 31,303.29                             | 25,288.60  |
| <b>Less :</b> Interim Dividend   | 168.57                                | 140.48   |
| Proposed Final Dividend  | 266.32                                | 224.76   |
| Dividend Distribution Tax  | 86.95                                 | 62.07  |
| Transferred to General Reserve   | -                                     | 1,025.00   |
|  | 521.84                                | 1,452.31   |
|  | 30,781.45                             | 23,836.29  |
| <b>Total</b>   | <b>60,694.49</b>                      | <b>30,407.92</b>                                     |

### 3. LONG TERM BORROWINGS

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | (₹ In Lacs)<br>As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|--|
| <b>Secured</b>  |                                       |  |
| Term Loans From Banks   |                                       |  |
| In Rupee  | 5,025.50                              | 2,301.15   |
| In Foreign Currency   | 12,645.06                             | 8,452.44   |
|   | 17,670.56                             | 10,753.59  |
| <b>Less :</b> Current Maturity of Long Term Loans             | 5,905.78                              | 3,298.69   |
|   | <b>11,764.78</b>                      | <b>7,454.90</b>                                      |
| Buyers Credit   | 374.59                                | 1,557.21   |
| <b>Less :</b> Current Maturity of Long Term Buyers Credits    | 294.92                                | 1,015.39   |
|   | <b>79.67</b>                          | <b>541.82</b>  |
| Vehicle and Equipment Loans                                   | 474.21                                | 111.36   |
| <b>Less :</b> Current Maturity of Vehicle and Equipment Loans | 190.99                                | 47.50  |
|   | <b>283.22</b>                         | <b>63.86</b>   |
| <b>Total</b>  | <b>12,127.67</b>                      | <b>8,060.58</b>                                      |

**Note :** Amount stated in Current Maturity is disclosed under the head of "Other Current Liabilities" (Refer Note No. 8)



## Notes forming part of the Consolidated Financial Statements

- a) Term Loans Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present and future and also further secured by personal guarantees of Director.
- i) Corporation Bank Term Loan of ₹5,297.38 Lacs (Previous Year: ₹3,926.50 Lacs) repayable within 72 months (i.e. By December 2015) including initial moratorium period of twelve months from the date of first disbursement in twenty quarterly equal instalments.
  - ii) HDFC Bank ECB Loan of ₹1,850.00 Lacs (Previous Year: ₹2,707.03 Lacs) repayable within 66 months (i.e. by December 2016) including initial moratorium period of twelve months from the date of first disbursement in eighteen quarterly instalments.
  - iii) Standard Chartered Bank ECB Loan of ₹492.19 Lacs (Previous Year: ₹943.27 Lacs) repayable within 60 months (i.e. by March 2016) including initial moratorium period of twelve months from the date of first disbursement in nine half yearly instalments.
  - iv) IndusInd Bank Term Loan of ₹2,404.68 Lacs (Previous Year : ₹2,881.30 Lacs) repayable within 60 months (i.e. by June 2018) including initial moratorium period of Twelve months from the date of first disbursement in sixteen quarterly instalments.
  - v) HSBC ECB Loan of ₹5,609.24 Lacs (Previous Year: ₹Nil) repayable within 60 months (i.e. by August 2019) including initial moratorium period of twelve months from the date of first disbursement in sixteen quarterly instalments.
  - vi) Term Loan of jointly controlled entity of ₹412.44 Lacs (Previous Year: ₹295.49 Lacs) is secured by a charge over all assets of the jointly controlled entity and personal guarantee of all directors of the jointly controlled entity.
  - vii) Term Loan of ₹1,604.63 Lacs (Previous Year: ₹Nil) taken by Seal It Services Ltd, a Subsidiary Company are secured by fixed charge on book debts and floating charge in the assets of Seal It Services Limited.
- b) Buyers Credit
- i) HDFC Bank Limited Buyers Credit of ₹Nil (Previous Year: ₹176.93 Lacs). Secured by way of first charge, in respect of Fixed assets, both present and future, and second charge on entire current assets of the Company both present future and also further secured by personal guarantees of Director.
  - ii) Corporation Bank Buyers Credit of ₹118.59 Lacs (Previous Year: ₹145.35 Lacs) Repayable by March 2016. Secured by way of first charge, in respect of entire current assets of the Company both present future and further secured by personal guarantees of Director.
  - iii) IDBI Bank Limited Buyers Credit of ₹256.00 Lacs (Previous Year: ₹1,234.93 Lacs) Repayable by November 2016. Secured by way of first charge, in respect of entire current assets of the Company both present future and further secured by personal guarantees of Director.
- c) Vehicle and Equipment Loans are Secured by way of hypothecation of respective motor vehicles and equipments purchased.
- i) Kotak Mahindra Prime Limited Vehicle Loan of ₹Nil (Previous Year: ₹20.01 Lacs).
  - ii) Axis Bank Limited Vehicle Loan of ₹23.43 Lacs (Previous Year: ₹1.12 Lacs) repayable on monthly basis. Repayable by Sept. 2017.
  - iii) ICICI Bank Limited Vehicle Loan of ₹28.34 Lacs (Previous Year: ₹53.25 Lacs) repayable on monthly basis. Repayable by October 2016.
  - iv) Corporation Bank Vehicle Loan of ₹7.43 Lacs (Previous Year: ₹8.89 Lacs) repayable on monthly basis. Repayable by February 2019.
  - v) Vehicle Loan of ₹107.18 Lacs (Previous Year: ₹28.09 Lacs) is secured by hypothecation of respective motor vehicle purchased by jointly controlled entity.
  - vi) Equipment Loan of ₹307.83 Lacs (Previous Year : ₹Nil) is secured by hypothecation of respective assets financed.

### 4. DEFERRED TAX LIABILITIES (NET)

(₹ In Lacs)

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| <b>Deferred Tax Liabilities</b>                                 |                                       |                                       |
| Difference between book balance and tax balance of fixed assets | 2,130.38                              | 1,841.70                              |
| <b>Deferred Tax Assets</b>                                      |                                       |                                       |
| Provision For Doubtful Trade Receivable                         | 70.86                                 | 154.48                                |
| Disallowances under Section 43B of the Income Tax Act, 1961     | 19.02                                 | 350.25                                |
| Unabsorbed Depreciation and brought forward losses              | 274.19                                | 154.22                                |
| <b>Total</b>  | <b>1,766.31</b>                       | <b>1,182.75</b>                       |



## Notes forming part of the Consolidated Financial Statements

### 5. OTHER LONG-TERM LIABILITIES

| Particulars                              | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Security Deposit from Customers / Agents | 33.48                                 | -                                     |
| <b>Total</b>                             | <b>33.48</b>                          | -                                     |

### 6. SHORT TERM BORROWINGS

| Particulars                                | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Secured</b>                             |                                       |                                       |
| From Banks                                 | 244.23                                | 1,173.22                              |
| <b>Unsecured</b>                           |                                       |                                       |
| From Banks                                 | -                                     | 600.00                                |
| Loan from Director of a Subsidiary Company | 1,500.00                              | -                                     |
| <b>Total</b>                               | <b>1,744.23</b>                       | <b>1,773.22</b>                       |

- i) Bank Overdraft of ₹244.23 Lacs (Previous Year: ₹223.22 Lacs) Secured by way fixed charge over all assets of Astral Pipes Limited and personal guarantee of all the directors of Astral Pipes Limited.
- ii) Working Capital Loans of ₹Nil (Previous Year ₹950.00 Lacs) are secured by way of first charge on entire current assets of the Company both present and future and second charge in respect of Fixed assets both present and future and also further Secured by personal guarantees of Director.

### 7. TRADE PAYABLES

| Particulars                         | (₹ In Lacs)                           |                                       |
|-------------------------------------|---------------------------------------|---------------------------------------|
|                                     | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Acceptances                         | 17,174.21                             | 10,953.22                             |
| Micro, Small and Medium Enterprises | 17.19                                 | -                                     |
| Other than Acceptances              | 9,378.79                              | 7,535.04                              |
| <b>Total</b>                        | <b>26,570.19</b>                      | <b>18,488.26</b>                      |

### 8. OTHER CURRENT LIABILITIES

| Particulars  | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Current Maturities of Long Term Borrowings (Refer Note No. 3)  | 6,391.69                              | 4,361.58                              |
| Interest Accrued and due on Borrowings   | 89.81                                 | 18.75                                 |
| Interest Accrued But Not Due on Borrowings   | 55.94                                 | 38.80                                 |
| Unclaimed Dividends*   | 2.25                                  | 2.11                                  |
| Other Liabilities  |                                       |                                       |
| Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) | 2,323.83                              | 2,485.58                              |
| Advance Received From Customers  | 209.78                                | 158.25                                |
| Payable for Capital Goods  | 377.53                                | 529.22                                |
| Other Payables   | 406.99                                | 58.81                                 |
| <b>Total</b>   | <b>9,857.82</b>                       | <b>7,653.10</b>                       |

\* Unclaimed dividends do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.



## Notes forming part of the Consolidated Financial Statements

### 9. SHORT TERM PROVISIONS

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Provision For Employee Benefits (Refer Note No. 26) | 8.80                                  | 0.82                                  |
| Provision For Dividend                              |                                       |                                       |
| Proposed Final Dividend                             | 266.32                                | 224.76                                |
| Tax on Dividend                                     | 53.25                                 | 38.20                                 |
| Provision For Taxation                              |                                       |                                       |
| Taxation (Net of Advance Tax)                       | 461.15                                | 399.38                                |
| Provision For Wealth Tax                            | 1.64                                  | 1.41                                  |
| <b>Total</b>  | <b>791.16</b>                         | <b>664.57</b>                         |

### 10. FIXED ASSETS

| Assets                       | Gross Block         |  |                 |                            |                     | Accumulated Depreciation |  |                    |                 |                            | Net Block           |                     |
|------------------------------|---------------------|--|-----------------|----------------------------|---------------------|--------------------------|--|--------------------|-----------------|----------------------------|---------------------|---------------------|
|                              | As at<br>01.04.2014 | Additions<br>relating to<br>acquisitions | Additions       | Deductions/<br>Adjustments | As at<br>31.03.2015 | As At<br>01.04.2014      | Additions<br>relating to<br>acquisitions | Adjustments<br>(#) | For<br>the year | Deductions/<br>Adjustments | As at<br>31.03.2015 | As at<br>31.03.2015 |
| <b>Tangible Assets</b>       |                     |  |                 |                            |                     |                          |  |                    |                 |                            |                     |                     |
| Land                         | 6,099.74            | 138.52                                   | 1,641.92        | 1.29                       | 7,878.89            | -                        | 14.08                                    | -                  | 24.38           | 2.20                       | 36.26               | 7,842.63            |
|                              | 3,671.81            |  | 2,427.93        | -                          | 6,099.74            |                          |  |                    |                 |                            |                     | 6,099.74            |
| Buildings                    | 9,121.43            | 461.23                                   | 1,109.59        | 7.99                       | 10,684.26           | 739.69                   | 44.47                                    | 21.03              | 362.20          | 0.48                       | 1,166.91            | 9,517.35            |
|                              | 6,534.96            |  | 2,570.74        | (15.73)                    | 9,121.43            | 513.47                   | -  | -                  | 222.20          | (4.02)                     | 739.69              | 8,381.74            |
| Plant & Equipment            | 20,227.11           | 2710.90                                  | 3,592.28        | 163.37                     | 26,366.92           | 7,472.91                 | 1137.29                                  | 130.49             | 2,866.03        | 93.99                      | 11,512.73           | 14,854.19           |
|                              | 16,088.57           |  | 4,092.89        | (45.65)                    | 20,227.11           | 5,647.90                 | -  | -                  | 1,817.36        | (7.65)                     | 7,472.91            | 12,754.20           |
| Furniture & Fixtures         | 1,122.74            | 380.64                                   | 142.63          | 16.00                      | 1,630.01            | 228.01                   | 103.16                                   | 4.18               | 149.66          | 5.70                       | 479.31              | 1,150.70            |
|                              | 967.86              |  | 152.58          | (2.30)                     | 1,122.74            | 158.91                   | -  | -                  | 68.28           | (0.82)                     | 228.01              | 894.73              |
| Vehicles                     | 444.19              | 134.17                                   | 84.04           | 51.53                      | 610.87              | 143.93                   | 63.46                                    | 0.93               | 71.32           | 35.89                      | 243.75              | 367.12              |
|                              | 364.79              |  | 88.88           | 9.48                       | 444.19              | 110.15                   | -  | -                  | 38.96           | 5.18                       | 143.93              | 300.26              |
| Office equipment & Computers | 641.56              | 243.57                                   | 160.03          | 9.96                       | 1,035.20            | 194.88                   | 138.83                                   | 28.69              | 167.87          | (0.92)                     | 531.19              | 504.01              |
|                              | 449.77              |  | 193.32          | 1.53                       | 641.56              | 151.12                   | -  | -                  | 44.26           | 0.50                       | 194.88              | 446.68              |
| <b>Intangible Assets</b>     | -                   | 54.76                                    | 0.63            | -                          | 55.39               | -                        | 46.66                                    | -                  | 0.47            | 0.03                       | 47.10               | 8.29                |
| <b>Total</b>                 | <b>37,656.77</b>    | <b>4,123.79</b>                          | <b>6,731.12</b> | <b>250.14</b>              | <b>48,261.54</b>    | <b>8,779.42</b>          | <b>1,547.95</b>                          | <b>185.32</b>      | <b>3,641.93</b> | <b>137.37</b>              | <b>14,017.25</b>    | <b>34,244.29</b>    |
|                              | <b>28,077.76</b>    | -  | <b>9,526.34</b> | <b>(52.67)</b>             | <b>37,656.77</b>    | <b>6,581.55</b>          |  | -                  | <b>2,191.06</b> | <b>(6.81)</b>              | <b>8,779.42</b>     | <b>28,877.35</b>    |

Figures in Italics are in respect of Previous Year.

# Transition adjustment recorded against Surplus balance in Statement of Profit and Loss.

- a) Building includes ₹750/- being face value of 15 number of shares of ₹50/- each held in Kant Apartment Co-Operative Housing Society Limited. Also includes ₹127.11 Lacs (Previous Year ₹127.11 Lacs) for which the procedure for transfer of title in the name of the Company is in process.
- b) Capital Work In Progress includes ₹78.51 Lacs (Previous Year ₹63.44 Lacs) on account of Pre - Operative Expenses.
- c) Accumulated Depreciation upto 31<sup>st</sup> March, 2015 includes impairment loss on Plant and Equipment - ₹96.20 Lacs (Previous Year ₹96.20 Lacs).
- d) Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the company has fully depreciated the carrying value of assets, net of residual value , where the remaining useful life of the asset was determined to be nil as on April 1, 2014 and has adjusted an amount of ₹122.40 Lacs (net of deferred tax of ₹62.99 Lacs) against the opening Surplus Balance in the Statement of Profit and loss under Reserves and Surplus. (Refer Note No. 2).



## Notes forming part of the Consolidated Financial Statements

### 11. LONG TERM LOANS AND ADVANCES

| Particulars                                    | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Unsecured considered good</b>               |                                       |                                       |
| Capital Advances                               | 540.71                                | 286.68                                |
| Security Deposits                              | 88.84                                 | 15.71                                 |
| Prepaid Expenses                               | 253.97                                | 54.81                                 |
| MAT Credit Entitlement                         | 440.50                                | 673.28                                |
| Advance for Purchase of Non Current Investment | 31.73                                 | -                                     |
| <b>Total</b>                                   | <b>1,355.75</b>                       | <b>1,030.48</b>                       |

### 12. INVENTORIES

| Particulars                         | (₹ In Lacs)                           |                                       |
|-------------------------------------|---------------------------------------|---------------------------------------|
|                                     | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Raw Materials                       | 6,955.08                              | 6,912.15                              |
| Stock In Trade *                    | 3,027.05                              | 2,929.53                              |
| Finished Goods                      | 15,279.38                             | 9,486.60                              |
| Work-in-progress                    | 405.26                                | -                                     |
| Stores Spares and Packing Materials | 888.29                                | 169.01                                |
| <b>Total</b>                        | <b>26,555.06</b>                      | <b>19,497.29</b>                      |

\* Includes Goods in Transit of ₹Nil (Previous Year: ₹31.13 Lacs)

### 13. TRADE RECEIVABLES

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| <b>Unsecured</b>  |                                       |                                       |
| Trade Receivable Outstanding for a period exceeding six months from the date they are due for payment |                                       |                                       |
| Considered Good   | 352.18                                | 118.30                                |
| Considered Doubtful   | 247.64                                | 454.50                                |
| <b>Less : Provision</b>   | 247.64                                | 454.50                                |
|   | 352.18                                | 118.30                                |
| Other Trade Receivable  |                                       |                                       |
| Considered Good   | 22,920.21                             | 14,389.40                             |
| <b>Total</b>  | <b>23,272.39</b>                      | <b>14,507.70</b>                      |

### 14. CASH AND CASH EQUIVALENTS

| Particulars  | (₹ In Lacs)                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Cash on Hand   | 25.50                                 | 11.44                                 |
| Balance With Banks   |                                       |                                       |
| In Current Account   | 1,123.52                              | 81.94                                 |
| In Deposit Account (with original maturity of more than 12 Months) | 0.87                                  | 0.99                                  |
| In Unclaimed Dividend Account                                      | 2.25                                  | 2.11                                  |
| <b>Total</b>   | <b>1,152.14</b>                       | <b>96.48</b>                          |



## Notes forming part of the Consolidated Financial Statements

### 15. SHORT TERM LOANS AND ADVANCES

| Particulars   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| <b>(Unsecured, Considered Good)</b>                                   |                                       |                                       |
| Advances to Related Parties   | 81.00                                 | -                                     |
| Prepaid Expenses  | 629.81                                | 180.22                                |
| Security Deposits   | 201.34                                | 182.84                                |
| Advance to Gratuity Fund (Refer Note No. 26)                          | 48.32                                 | -                                     |
| Loans and Advances to Employees                                       | 80.62                                 | 9.11                                  |
| Balance with Custom, Central Excise and Central Sales Tax Authorities | 3,672.26                              | 3,403.19                              |
| MAT Credit Entitlements   | 478.00                                | 450.00                                |
| Advances to Suppliers   | 335.76                                | 251.69                                |
| Taxes Receivable  | 132.25                                | 30.06                                 |
| <b>Total</b>  | <b>5,659.36</b>                       | <b>4,507.11</b>                       |

### 16. OTHER CURRENT ASSETS

| Particulars                            | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|---------------------------------------|
| Interest Accrued on loans and deposits | 0.58                                  | 0.04                                  |
| Discount Receivable                    | 168.65                                | 46.52                                 |
| Others                                 | -                                     | 0.97                                  |
| <b>Total</b>                           | <b>169.23</b>                         | <b>47.53</b>                          |

### 17. REVENUE FROM OPERATIONS

| Particulars                          | 2014-15            | 2013-14            |
|--------------------------------------|--------------------|--------------------|
| Domestic Sales                       | 1,53,877.56        | 1,15,945.63        |
| Export Sales                         | 1,756.04           | 1,915.12           |
| <b>Gross</b>                         | <b>1,55,633.60</b> | <b>1,17,860.75</b> |
| <b>Less : Excise Duty</b>            | <b>12,695.92</b>   | <b>9,896.83</b>    |
| <b>Revenue from Operations (Net)</b> | <b>1,42,937.68</b> | <b>1,07,963.92</b> |

### 18. OTHER INCOME

| Particulars  | 2014-15       | 2013-14       |
|--|---------------|---------------|
| Interest Income  |               |               |
| From Banks on deposits                                     | 71.38         | 0.07          |
| From Joint Venture   | -             | 2.79          |
| From Others  | 0.97          | 87.58         |
| Liabilities no longer required written back (Net)          | 8.52          | -             |
| Gain on Sale of Current Investment                         | 34.18         | 92.70         |
| Net Gain on Foreign Currency transactions and translations | 172.19        | -             |
| Miscellaneous Income                                       | 76.00         | 60.45         |
| <b>Total</b>   | <b>363.24</b> | <b>243.59</b> |

## Notes forming part of the Consolidated Financial Statements

### 19. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

| Particulars   | 2014-15           | 2013-14           |
|---|-------------------|-------------------|
| Inventories At the End of the Year                                      |                   |                   |
| Finished Goods  | 15,279.38         | 9,568.96          |
| Stock In Trade  | 3,027.05          | 2,691.65          |
| Work-in-progress  | 405.26            | -                 |
|   | 18,711.69         | 12,260.61         |
| Inventories At the Beginning of the Year                                |                   |                   |
| Finished Goods (includes ₹3,739.38 Lacs on acquisition of Subsidiaries) | 13,308.34         | 6,725.14          |
| Stock In Trade (includes ₹0.28 Lacs on acquisition of Subsidiaries)     | 2,691.93          | 2,272.46          |
| Work-in-progress (includes ₹356.08 Lacs on acquisition of Subsidiaries) | 356.08            | -                 |
|   | 16,356.35         | 8,997.60          |
| <b>Net (Increase) / Decrease</b>  | <b>(2,355.34)</b> | <b>(3,263.01)</b> |

### 20. EMPLOYEE BENEFITS EXPENSES

| Particulars  | 2014-15         | 2013-14         |
|--|-----------------|-----------------|
| Salaries and Wages   | 4,295.65        | 2,265.33        |
| Contribution to Provident and Other Funds (Refer Note No.26) | 357.35          | 89.03           |
| Staff Welfare Expenses                                       | 151.50          | 91.12           |
| <b>Total</b>   | <b>4,804.50</b> | <b>2,445.48</b> |

### 21. FINANCE COSTS

| Particulars                              | 2014-15         | 2013-14         |
|--|-----------------|-----------------|
| Interest Expenses                        |                 |                 |
| Borrowings                               | 1,228.28        | 772.14          |
| Others                                   | 66.90           | 22.47           |
| Other Borrowing Costs                    | 204.09          | 90.90           |
| Expenses on Foreign Currency Transaction | 1,045.82        | 2,226.91        |
| <b>Total</b>                             | <b>2,545.09</b> | <b>3,112.42</b> |



## Notes forming part of the Consolidated Financial Statements

### 22. OTHER EXPENSES

(₹ In Lacs)

| Particulars  | 2014-15          | 2013-14          |
|--|------------------|------------------|
| Consumption of Stores and Spares                           | 558.55           | 655.52           |
| Consumption of Packing Material                            | 1,312.92         | 1,116.51         |
| Power and Fuel   | 2,888.43         | 2,045.11         |
| Rent Expenses *  | 422.44           | 178.98           |
| Repairs Expenses   |                  |                  |
| Repairs to Buildings                                       | 106.50           | 113.61           |
| Repairs to Machinery                                       | 296.10           | 139.28           |
| Repairs Others   | 94.75            | 52.36            |
| Insurance Expenses   | 210.71           | 142.02           |
| Royalty Expenses   | 181.49           | 137.89           |
| Rates & Taxes  | 134.04           | 29.01            |
| Communication Expenses                                     | 147.92           | 82.74            |
| Travelling Expenses  | 707.03           | 512.79           |
| Factory & Other Expenses                                   | 177.11           | 153.05           |
| Printing & Stationary                                      | 95.36            | 36.29            |
| Freight & Forwarding                                       | 2,546.03         | 1,713.33         |
| Changes in Excise Duty on Inventories                      | (56.22)          | 209.33           |
| Commission   | 138.96           | 150.84           |
| Discount on Sales  | 1,942.53         | 2,273.62         |
| Sales Promotions   | 3,115.81         | 1,780.68         |
| Directors Sitting Fees                                     | 1.70             | -                |
| Donations & Contributions                                  | 2.90             | 13.52            |
| Security Service Charges                                   | 193.42           | 140.29           |
| Legal & Professional**                                     | 537.80           | 301.90           |
| Expenditure on Corporate Social Responsibility             | 178.24           | -                |
| Payments to Auditors ***                                   | 24.28            | 12.61            |
| Bad Debts Written Off                                      | 6.76             | 20.53            |
| Provision for Doubtful Trade and Other Receivable          | 73.64            | 48.93            |
| Net Loss on Foreign Currency transactions and translations | 22.10            | 459.87           |
| Loss on Sale of Fixed Assets                               | 1.41             | 9.40             |
| Other Expenses   | 348.15           | 213.27           |
| <b>Total</b>   | <b>16,410.86</b> | <b>12,743.28</b> |

\* The Company is lessee under various operation leases under which rental expenses for the year was ₹422.44 Lacs (Previous year ₹178.98 Lacs) which has been charged to the Consolidated Statement of Profit and Loss. The Company has not executed any non cancelable lease agreement.

\*\*\* Payment to Auditors (including payments made by the subsidiaries/joint venture to their auditors)



## Notes forming part of the Consolidated Financial Statements

| Particulars   | (₹ In Lacs)  |              |
|---|--------------|--------------|
|   | 2014-15      | 2013-14      |
| 1) To Statutory Auditors ***  |              |              |
| For Statutory Audit   | 16.72        | 8.94         |
| For Other Services @  | 7.53         | 3.67         |
| For Reimbursement of Expenses   | 0.03         | -            |
|   | <b>Total</b> | <b>24.28</b> |
|   | <b>24.28</b> | <b>12.61</b> |
| @ excludes remuneration for professional service debited to Security Premium account related to QIP Issue.  | 23.00        | -            |
| @ excludes remuneration debited to Securities Premium Account related to QIP issue for professional services rendered by firms of auditors in which some of the statutory auditors firm are partners. | 1.00         | -            |
| 2) To Cost Auditor for Cost Audit **  | 1.25         | 1.25         |

### 23. (A) Enterprises Consolidated as Subsidiary in accordance with Accounting Standard 21—Consolidated Financial Statement:

| Name of the Company   | % of Holding        |                     | Country of Incorporation |
|---|---------------------|---------------------|--------------------------|
|   | As at<br>31.03.2015 | As at<br>31.03.2014 |                          |
| <b>Subsidiaries</b>   |                     |                     |                          |
| Astral Biochem Private Limited  | 100%                | 100%                | India                    |
| Advanced Adhesives Limited  | 85%                 | 85%                 | India                    |
| Resinova Chemie Limited (Acquired on 21 <sup>st</sup> November, 2014) | 76%                 | ---                 | India                    |
| Indogreen Plastic Technologies (w.e.f. 1 <sup>st</sup> October, 2014) | 98%                 | ---                 | India                    |
| Seal It Services Limited (Acquired on 26 <sup>th</sup> August, 2014)  | 80%                 | ---                 | United Kingdom           |
| <b>Step-down Subsidiary of Seal It Services Limited</b>               |                     |                     |                          |
| Calder Distribution Limited   | 100%                | ---                 | United Kingdom           |

### (B) Enterprises Consolidated as Jointly Controlled Entity in accordance with Accounting Standard 27 –Interest in Joint Venture:

| Name of the Company  | % of Interest       |                     | Country of Incorporation |
|----------------------|---------------------|---------------------|--------------------------|
|                      | As at<br>31.03.2015 | As at<br>31.03.2014 |                          |
| <b>Joint Venture</b> |                     |                     |                          |
| Astral Pipes Limited | 37.50%              | 37.50%              | Kenya                    |

The audited financial statements of Astral Pipes Limited (Kenya) up to 31<sup>st</sup> December, 2014 have been prepared in accordance with International Financial Reporting Standards. Differences in accounting policies of the Company and the joint venture are not material and there are no material transactions from 1<sup>st</sup> January, 2015 to 31<sup>st</sup> March, 2015 in respect of the joint venture having financial year ended on 31<sup>st</sup> December, 2014. There is no change in Company's interest in the joint venture from 1<sup>st</sup> January, 2015 to 31<sup>st</sup> March, 2015.

### 24. EARNINGS PER SHARE:

| Particulars                                       | As at<br>31.03.2015 | As at<br>31.03.2014 |
|---|---------------------|---------------------|
| Profit After Tax (₹ In Lacs)                      | 7,589.40            | 7,891.46            |
| Weighted Average No. of Equity Shares Outstanding | 11,42,16,906        | 5,61,90,280         |
| Nominal Value of shares (₹)                       | 1                   | 2                   |
| Basic & Diluted Earnings Per Share (In ₹)         | 6.64                | 7.02                |

Pursuant to the approval of the shareholders at the Annual General Meeting held on August 25, 2014, the Board of Directors of the Company at its meeting held on the date had approved sub-division of its equity share of the face value of ₹2 each into 2 (Two ) equity shares of ₹1 each.

Consequently, the Earnings per Share (EPS) has been adjusted as required under AS-20 Earnings Per Share.



## Notes forming part of the Consolidated Financial Statements

### 25. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

#### A. CONTINGENT LIABILITIES

| Sr.<br>No. | Particulars   | (₹ In Lacs)         |                     |
|------------|---|---------------------|---------------------|
|            |   | As at<br>31.03.2015 | As at<br>31.03.2014 |
| 1          | Letters of Credit for Purchases                                 | 48.98               | 149.75              |
| 2          | Disputed Income Tax/Central Excise/VAT/Sales Tax and PF demands | 74.17               | --                  |
| 3          | Other Matter  | 436.33              | --                  |
| 4          | Share of Group in Contingent Liability of Joint Venture         | --                  | --                  |

Future cash outflows in respect of the above matters are determinable only on receipt of judgement / decisions pending at various forums / authorities.

#### B. COMMITMENTS

| Sr.<br>No. | Particulars  | (₹ In Lacs)         |                     |
|------------|--|---------------------|---------------------|
|            |  | As at<br>31.03.2015 | As at<br>31.03.2014 |
| 1          | Capital Contracts remaining to be executed (Net of Advances) | 3,833.66            | 1,464.00            |
| 2          | Non-Cancellable Operating Lease                              | 119.96              | --                  |
| 3          | Share of Group in Capital commitment of a joint venture      | 104.42              | --                  |

### 26. EMPLOYEE BENEFITS:

The disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 for the Holding Company and Subsidiary Companies incorporated in India are given below:

#### Defined Contribution Plan:

Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note No. 21 ₹181.56 Lacs (Previous Year: ₹79.10 Lacs).

#### Defined Benefit Plan:

This Consolidated financial statement include the obligation as per requirement of this standard except for those subsidiary and jointly controlled entity which are incorporated outside India who have determined the valuation / provision for employee benefits as per requirement of respective countries.

#### General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

#### Status of Defined Benefit Plans/Long term Compensated Absences – As per Actuarial Valuations as on 31<sup>st</sup> March, 2015:

- a) Reconciliation of opening and closing balances of the present value of the Defined benefit Obligation: (₹ In Lacs)

| Particulars  | Gratuity      |               | Leave Encashment |              |
|--|---------------|---------------|------------------|--------------|
|  | 2014-15       | 2013-14       | 2014-15          | 2013-14      |
| Obligations at the beginning of the year           | 120.67        | 105.13        | 11.50            | 4.57         |
| Addition during the Year on account of Acquisition | 61.59         | -             | -                | -            |
| Current service cost                               | 34.44         | 17.39         | 9.74             | 8.25         |
| Interest cost                                      | 16.00         | 8.67          | 1.07             | 0.38         |
| Actuarial (gain) / loss                            | 23.40         | (3.77)        | 9.43             | (1.70)       |
| Benefits paid                                      | (16.57)       | (6.75)        | (8.14)           | -            |
| <b>Obligations at the end of the year</b>          | <b>239.53</b> | <b>120.67</b> | <b>23.60</b>     | <b>11.50</b> |



## Notes forming part of the Consolidated Financial Statements

- b) Reconciliation of opening and closing balances of the fair value of plan assets:

| Particulars  | Gratuity      |               | Leave Encashment |         |
|--|---------------|---------------|------------------|---------|
|  | 2014-15       | 2013-14       | 2014-15          | 2013-14 |
| Plan assets at the beginning of the year, at fair value  | 166.85        | 133.04        | -                | -       |
| Addition during the Year on account of Acquisition       | 3.49          | -             | -                | -       |
| Expected return on plan assets                           | 14.52         | 11.57         | -                | -       |
| Actuarial gain / (loss)                                  | (2.66)        | 1.01          | -                | -       |
| Contributions  | 28.95         | 27.98         | -                | -       |
| Benefits paid  | (11.27)       | (6.75)        | -                | -       |
| <b>Plan assets at the end of the year, at fair value</b> | <b>199.88</b> | <b>166.85</b> | -                | -       |

- c) Reconciliation of the present value of the defined benefit obligation & fair value of plan asset:

| Particulars   | Gratuity     |                | Leave Encashment |              |
|---|--------------|----------------|------------------|--------------|
|   | 2014-15      | 2013-14        | 2014-15          | 2013-14      |
| Obligations at the end of the year                                    | 239.53       | 120.67         | 23.60            | 11.50        |
| Plan assets at the end of the year, at fair value                     | 199.88       | 166.86         | -                | -            |
| <b>Liability/(Assets) recognized in Balance sheet as on 31-Mar-15</b> | <b>39.65</b> | <b>(46.19)</b> | <b>23.60</b>     | <b>11.50</b> |

- d) Cost for the year:

| Particulars  | Gratuity     |             | Leave Encashment |             |
|--|--------------|-------------|------------------|-------------|
|  | 2014-15      | 2013-14     | 2014-15          | 2013-14     |
| Current service cost   | 34.45        | 17.39       | 9.74             | 8.25        |
| Interest cost  | 16.00        | 8.67        | 1.07             | 0.38        |
| Expected return on plan assets   | (14.52)      | (11.57)     | -                | -           |
| Actuarial (Gains)/Loss   | 26.06        | (4.78)      | 9.43             | (1.70)      |
| <b>Expense recognized in the Consolidated Statement of Profit and Loss</b> | <b>61.99</b> | <b>9.71</b> | <b>20.24</b>     | <b>6.93</b> |

- e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

- f) Assumptions:

| Particulars                     | Gratuity |         | Leave Encashment |         |
|---------------------------------|----------|---------|------------------|---------|
|                                 | 2014-15  | 2013-14 | 2014-15          | 2013-14 |
| Discount Rate                   | 7.94%    | 9.31%   | 7.94%            | 9.31%   |
| Expected return on plan assets  | 7.94%    | 8.70%   | -                | -       |
| Annual Increase in Salary Costs | 5.00%    | 5.00%   | 5.00%            | 5.00%   |

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

- g) Experience History of Gratuity:

| Particulars   | (₹ In Lacs) |         |         |         |         |
|---|-------------|---------|---------|---------|---------|
|   | 2014-15     | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
| Defined Benefit Obligation at the end of the period | 239.53      | 120.67  | 105.13  | 79.07   | 53.51   |
| Plan Assets at the end of the period                | 199.88      | 166.86  | 133.04  | 105.30  | 75.65   |
| Funded Status                                       | 39.65       | (46.19) | (27.91) | (26.23) | (22.14) |
| Experience Adjustments on Plan Liabilities          | --          | --      | --      | --      | --      |
| Experience Adjustments on Plan Assets               | --          | --      | --      | --      | --      |



## Notes forming part of the Consolidated Financial Statements

### 27. RELATED PARTY DISCLOSURES:

#### 1. Name of party and relationship

| Sr. No. | Description of Relationship  | Name of Related Parties   |
|---------|--|---|
| a.      | Enterprises over which Key Managerial Personnel are able to exercise significant influence | Kairav Chemicals Limited<br>Saumya Polymers LLP<br>Indogreen Plastic Technologies<br>Astral Charitable Trust  |
| b.      | Joint Venture  | Astral Pipes Limited  |
| c.      | Key Management Personnel   | Mr. Sandeep P. Engineer<br>Mrs. Jagruti S. Engineer<br>Mr. K. R. Shenoy   |
| d.      | Relatives of Key Management Personnel  | Sandeep P. Engineer HUF<br>Late Mr. Bipin R. Mehta<br>Mrs. Rekha B. Mehta<br>Mrs. Hansa P. Engineer<br>Mr. Kairav S. Engineer<br>Mr. Saumya S. Engineer |

#### 2. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31<sup>st</sup> March, 2015.

(₹ In Lacs)

| Sr. No. | Related Party Transactions summary | Enterprises over which Key Managerial Personnel are able to exercise significant influence | Joint Venture # |         | Key Management Personnel |         | Relatives of Key Management Personnel | Total   |         |
|---------|------------------------------------|--|-----------------|---------|--------------------------|---------|---------------------------------------|---------|---------|
|         |                                    |  | 2014-15         | 2013-14 | 2014-15                  | 2013-14 |                                       | 2014-15 | 2013-14 |

#### Part 1: Transactions During the Year

|    |  |        |        |        |          |        |        |       |       |        |                |
|----|--|--------|--------|--------|----------|--------|--------|-------|-------|--------|----------------|
| 1  | Purchase of Fixed Assets                       | -      | 232.17 | -      | -        | -      | -      | -     | -     | -      | 232.17         |
| 2  | Rent Received                                  | 0.85   | 4.05   | -      | -        | -      | -      | -     | -     | -      | 0.85      4.05 |
| 3  | Dividend Paid                                  | 82.69  | 58.48  | -      | -        | 114.85 | 90.24  | 25.63 | 20.13 | 223.17 | 168.85         |
| 4  | Remuneration                                   | -      | -      | -      | -        | 280.60 | 252.84 | 37.06 | 34.67 | 317.66 | 287.51         |
| 5  | Rent Paid                                      | 119.33 | 27.61  | -      | -        | -      | -      | 11.54 | 10.86 | 130.87 | 38.47          |
| 6  | Deposit Given                                  | -      | 88.00  | -      | -        | -      | -      | -     | -     | -      | 88.00          |
| 7  | Expenditure on Corporate Social Responsibility | 176.89 | -      | -      | -        | -      | -      | -     | -     | 176.89 | -              |
| 8  | Advance Given                                  | 81.00  | -      | -      | -        | -      | -      | -     | -     | 81.00  | -              |
| 9  | Sale of Goods                                  | -      | -      | 280.11 | 332.35   | -      | -      | -     | -     | 280.11 | 332.35         |
| 10 | Guarantees Given                               | -      | -      | -      | 1,972.01 | -      | -      | -     | -     | -      | 1,972.01       |
| 11 | Interest Income                                | -      | -      | -      | 8.51     | -      | -      | -     | -     | -      | 8.51           |

#### Part 2: Balance at the end of the Period

|   |                          |       |       |          |          |       |       |   |      |          |          |
|---|--------------------------|-------|-------|----------|----------|-------|-------|---|------|----------|----------|
| 1 | Deposit Given            | 88.00 | 88.00 | -        | -        | -     | -     | - | -    | 88.00    | 88.00    |
| 2 | Payable towards Expenses | -     | -     | -        | -        | 63.53 | 67.98 | - | 1.65 | 63.53    | 69.63    |
| 3 | Receivables              | -     | -     | 90.65    | 140.81   | -     | -     | - | -    | 90.65    | 140.81   |
| 4 | Guarantees Given         | -     | -     | 1,989.87 | 1,972.01 | -     | -     | - | -    | 1,989.87 | 1,972.01 |
| 5 | Advances Given           | 81.00 | -     | -        | -        | -     | -     | - | -    | 81.00    | -        |

# Transactions with Joint Venture have been disclosed at full value.

## Notes forming part of the Consolidated Financial Statements

### 3. INFORMATION REGARDING SIGNIFICANT RELATED PARTY TRANSACTIONS/BALANCES

#### Part 1 : Transaction During the Year

(₹ In Lacs)

| SR. No. | Particulars   | 2014-15 | 2013-14  |
|---------|---|---------|----------|
| 1       | <b>Purchase of Goods</b>                              |         |          |
|         | Kairav Chemicals Limited                              | -       | 232.17   |
| 2       | <b>Rent Received</b>                                  |         |          |
|         | Kairav Chemicals Limited                              | 0.85    | 4.05     |
| 3       | <b>Dividend Paid</b>                                  |         |          |
|         | Saumya Polymers LLP                                   | 74.43   | 58.48    |
|         | Mr. Sandeep P. Engineer                               | 82.25   | 65.10    |
|         | Mrs. Jagruti S. Engineer                              | 32.00   | 25.14    |
|         | Mrs. Hansa P. Engineer                                | 23.35   | 18.34    |
| 4       | <b>Remuneration</b>                                   |         |          |
|         | Mr. Sandeep P. Engineer                               | 239.10  | 221.34   |
|         | Mrs. Jagruti S. Engineer                              | 41.00   | 29.50    |
| 5       | <b>Rent Paid</b>                                      |         |          |
|         | Kairav Chemicals Limited                              | 119.33  | 27.61    |
|         | Sandeep P. Engineer (HUF)                             | -       | 8.88     |
| 6       | <b>Deposit Given</b>                                  |         |          |
|         | Kairav Chemicals Limited                              | -       | 88.00    |
| 7       | <b>Sale of Goods</b>                                  |         |          |
|         | Astral Pipes Limited                                  | 280.11  | 332.35   |
| 8       | <b>Guarantees Given</b>                               |         |          |
|         | Astral Pipes Limited                                  | -       | 1,972.01 |
| 9       | <b>Interest Income</b>                                |         |          |
|         | Astral Pipes Limited                                  | -       | 8.51     |
| 10      | <b>Expenditure on Corporate Social Responsibility</b> |         |          |
|         | Astral Charitable Trust                               | 176.89  | -        |

#### Part 2 : Balance at the end of the Year

(₹ In Lacs)

| SR. No. | Particulars                     | 2014-15  | 2013-14  |
|---------|---------------------------------|----------|----------|
| 1       | <b>Deposit Given</b>            |          |          |
|         | Kairav Chemicals Limited        | 88.00    | 88.00    |
| 2       | <b>Payable Towards Expenses</b> |          |          |
|         | Mr. Sandeep P. Engineer         | 63.53    | 67.53    |
| 3       | <b>Receivables</b>              |          |          |
|         | Astral Pipes Limited            | 90.65    | 140.81   |
| 4       | <b>Guarantees Given</b>         |          |          |
|         | Astral Pipes Limited            | 1,989.87 | 1,972.01 |

# Transactions with Joint Venture have been disclosed at full value.



## Notes forming part of the Consolidated Financial Statements

### 28. SEGMENT INFORMATION:

The Group has identified business segments as its primary segment and geographical segments as its secondary segment. Business segments are primarily plastic products and adhesives. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Group are within India and outside India.

#### A. Primary Segment:

(₹ In Lacs)

| Business Segment  | 2014-15                    |                       |                      |  |
|---|----------------------------|-----------------------|----------------------|--|
|   | Plastic Products           | Adhesives             | Eliminations         | Total  |
| <b>Segment Revenue</b>  |                            |                       |                      |  |
| External Revenue  | 1,20,748.95<br>1,03,044.47 | 25,511.02<br>6,969.15 | 3,322.29<br>2,049.70 | 1,42,937.68<br>1,07,963.92                                 |
| <b>Segment Results before other income, finance costs and tax</b> | 12,145.67                  | 988.02                |                      | 13,133.69  |
| Finance Costs   | 11,999.32                  | 1,322.83              |                      | 13,322.25<br>2,545.09<br>3,112.42<br>363.24<br>243.59      |
| Other Income  |                            |                       |                      | 10,951.84<br>10,453.42<br>3,134.39<br>2,523.65<br>7,817.45 |
| Profit Before Taxes   |                            |                       |                      | 7,929.77   |
| Tax Expense   |                            |                       |                      |  |
| Profit For the Year   |                            |                       |                      |  |

(₹ In Lacs)

| Particulars                           | For the Year Ended 31 <sup>st</sup> March, 2015 |                       |                  |                        |
|---------------------------------------|---|-----------------------|------------------|------------------------|
|                                       | Business Segments                               |                       | Eliminations     | Total                  |
|                                       | Plastic Products                                | Adhesives             |                  |                        |
| Segment Assets                        | 78,207.52<br>67,634.18                          | 16,899.82<br>1,350.08 | 934.39           | 94,172.95<br>68,260.73 |
| Segment Liabilities                   | 25,604.44<br>21,433.13                          | 4,941.70<br>590.25    | 358.75<br>232.65 | 30,187.39<br>21,790.73 |
| Segment Depreciation and Amortization | 3,375.32<br>2,176.36                            | 266.61<br>14.70       | -                | 3,641.93<br>2,191.06   |
| Capital Expenditure                   | 6,270.62<br>9,326.28                            | 2,065.90<br>270.20    | -                | 8,336.52<br>9,596.48   |

#### B. Secondary Segment:

(₹ In Lacs)

| Geographical Segment | Within India               | Outside India         | Total                      |
|----------------------|----------------------------|-----------------------|----------------------------|
| Segment Revenue      | 1,31,363.78<br>1,05,613.70 | 11,573.90<br>2,350.22 | 1,42,937.68<br>1,07,963.92 |
| Segment Asset        | 86,304.67<br>67,029.53     | 7,868.28<br>1,231.20  | 94,172.95<br>68,260.73     |
| Capital Expenditure  | 6,563.83<br>9,440.38       | 1,772.69<br>156.10    | 8,336.52<br>9,596.48       |

Figures in Italics are of Previous Year



## Notes forming part of the Consolidated Financial Statements

### Unallocable Segment Assets and Liabilities excluded in above:

(₹ In Lacs)

| Particulars                                | As at<br>31.03.2015 | As at<br>31.03.2014 |
|--|---------------------|---------------------|
| <b>Assets:</b>                             |                     |                     |
| Goodwill on Consolidation                  | 21,439.37           | 52.73               |
| MAT Credit Entitlement                     | 918.50              | 1,123.28            |
|  | <b>Total</b>        | <b>22,357.87</b>    |
|  |                     | <b>1,176.01</b>     |
| <b>Liabilities:</b>                        |                     |                     |
| Long-term borrowings                       | 12,127.67           | 8,060.58            |
| Short-term borrowings                      | 1,744.23            | 1,773.22            |
| Current maturities of long-term borrowings | 6,391.69            | 4,361.58            |
| Deferred tax liabilities (Net)             | 1,766.31            | 1,182.75            |
| Minority interest                          | 1,653.03            | 72.40               |
| Proposed Dividend and tax thereon          | 319.57              | 262.96              |
| Provision for Income Tax                   | 462.79              | 400.79              |
|  | <b>Total</b>        | <b>24,465.29</b>    |
|  |                     | <b>16,114.28</b>    |

- 29.** On 10<sup>th</sup> December 2014, the company allotted 59,84,519 Equity Shares of ₹1 each for cash at a premium of ₹401.52 per equity shares aggregating to ₹24,088.89 Lacs, pursuant to shares issued under Qualified Institutional Placement (QIP). The company has utilized all the proceeds as per offer document; there is no unutilized fund as on 31<sup>st</sup> March 2015.

### 30. DERIVATIVE INSTRUMENTS:

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts and Currency Options for speculative purposes.

- (a) Outstanding Forward Exchange Contracts entered into by the Company:

| As at          | No. of Contracts | Buy / Sell | US \$ Equivalent (Lacs) | INR Equivalent (Lacs) |
|----------------|------------------|------------|-------------------------|-----------------------|
| March 31, 2015 | 3                | Buy        | 41.00                   | 2,500.00              |
| March 31, 2014 | 3                | Buy        | 41.99                   | 2,514.52              |

Expenditure on account of premium on forward exchange contracts to be recognized in the Consolidated Statement of Profit and Loss of subsequent accounting period aggregates to ₹81.53 Lacs (Previous Year : ₹99.41 Lacs).

- (b) Outstanding Option Contracts entered into by the Company:

| As at          | No. of Contracts | Buy / Sell | US \$ Equivalent (Lacs) | INR Equivalent (Lacs) |
|----------------|------------------|------------|-------------------------|-----------------------|
| March 31, 2015 | 2                | Buy        | 61.25                   | 3,828.13              |
| March 31, 2014 | 2                | Buy        | 30.00                   | 1,796.70              |

- (c) Interest rate swaps to hedge against fluctuations in interest rate changes: No. of contracts: 1 (Previous Year: Nil)

Foreign Currency Exposures not hedged by derivative instruments as at 31<sup>st</sup> March, 2015 on payable amounting US\$ 400.76 Lacs and EURO 2.41 Lacs Equivalent ₹25,214.71 Lacs (Previous Year: US\$ 310.79 Lacs, EURO 11.47 Lacs and GBP 0.01 Lacs Equivalent ₹19,557.69 Lacs) and on receivables amounting US\$ 2.50 Lacs and GBP 5.52 Lacs Equivalent ₹665.89 Lacs (Previous Year: US\$ 6.66 Lacs and GBP Nil Equivalent ₹398.54 Lacs).

Foreign Exchange Loss (Net) of ₹895.73 Lacs (Previous Year: Exchange Loss (Net) of ₹2,647.84 Lacs) for the year has been included in respective heads of Consolidated Statement of Profit and Loss.



## Notes forming part of the Consolidated Financial Statements

### 31. GOODWILL ON CONSOLIDATION:

| Particulars   | (₹ In Lacs)                           |                                       |
|---|---------------------------------------|---------------------------------------|
|   | As at<br>31 <sup>st</sup> March, 2015 | As at<br>31 <sup>st</sup> March, 2014 |
| Opening Balance   | 52.73                                 | Nil                                   |
| Add : On acquisition of shares in Subsidiaries/ Joint Venture during the year | 21,386.64                             | 69.04                                 |
|   | 21,439.37                             | 69.04                                 |
| Less : Capital Reserves on consolidation (Refer Note No. 2 )                  | -                                     | 16.31                                 |
| <b>Total</b>  | <b>21,439.37</b>                      | <b>52.73</b>                          |

### 32. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/Joint VENTURE:

| Name of the Entity   | Net Assets, i.e., total assets minus total liabilities |                    | Share of Profit or (loss)           |                    |
|--|--|--------------------|-------------------------------------|--------------------|
|  | As % of consolidated net assets                        | Amount (₹ In Lacs) | As % of consolidated profit or loss | Amount (₹ In Lacs) |
| <b>Parent</b>  | 98.39  | 60,882.88          | 88.20                               | 6,694.07           |
| <b>Subsidiary Companies</b>  |  |                    |                                     |                    |
| <b>Indian</b>  |  |                    |                                     |                    |
| 1 Astral Biochem Private Limited                                     | -  | -                  | -                                   | -                  |
| 2 Advanced Adhesives Limited   | 1.56   | 963.41             | 6.39                                | 485.07             |
| 3 Resinova Chemie Limited  | 2.17   | 1,341.26           | 5.10                                | 387.08             |
| 4 Indo Green Plastic Technologies                                    | (0.02)   | (11.61)            | (0.21)                              | (15.93)            |
| <b>Foreign</b>   |  |                    |                                     |                    |
| Seal It Services Limited   | 0.88   | 544.71             | 4.27                                | 324.28             |
| Minority Interests in all subsidiaries                               | (2.67)   | (1,653.03)         | (3.00)                              | (228.05)           |
| <b>Joint Ventures</b><br><b>(as per proportionate consolidation)</b> |  |                    |                                     |                    |
| <b>Foreign</b>   |  |                    |                                     |                    |
| Astral Pipes Limited   | (0.31)   | (189.47)           | (0.75)                              | (57.12)            |

33. Previous year figures have been regrouped /reclassified to confirm to the current year's classification.

For and on behalf of the Board of Directors

**(Sandeep P. Engineer)**  
Managing Director

**(Jagruti S. Engineer)**  
Whole Time Director

Date : 28<sup>th</sup> May, 2015  
Place : Ahmedabad

**(Hiranand A. Savlani)**  
Chief Financial Officer

**(Krunal D. Bhatt)**  
Company Secretary

# Resinova Chemie Ltd.



## Introducing Resinova Chemie Limited our newest acquisition.

**RESINOVA**

an ASTRAL company



Resinova Chemie Limited was started in 1987, the company presently manufactures adhesives and sealants with a focus on business of building brands.

## Backed by world-class manufacturing facilities



### A diverse product range

Most of our Products are among the 1st three Brands in their categories such as Bondtite is second to Araldite, Bondset trails M-Seal, Resibond is second to Anabond and Vetric is second to Fevikwik in their respective markets.



### Strong R&D, Marketing and Sales teams.

- Very strong focus on R&D and Q.C leading to new developments and products which find better acceptability of customers.

- IT usage and fully tech savvy environment are strengths of Resinova. All 350 sales and marketing staff are connected through laptops and software regularly updated for catering to changing needs of marketing department.

# World Class Product Range



## ASTRAL FLOWGUARD PLUS PIPE & FITTINGS™

'FlowGuard™ is the registered mark of The Lubrizol Corporation.  
The Lubrizol Corporation is a Berkshire Hathaway company.'



## ASTRAL CORZAN HP INDUSTRIAL SYSTEMS

'Corzan® is the registered mark of The Lubrizol Corporation.  
The Lubrizol Corporation is a Berkshire Hathaway company.'



## ASTRAL BENDABLE MULTILAYER PIPE

'Bendable' is the registered mark of The Lubrizol Corporation.  
The Lubrizol Corporation is a Berkshire Hathaway company.'



## ASTRAL BlazeMaster® FIRE SPRINKLER SYSTEMS

'BlazeMaster® is the registered mark of The Lubrizol Corporation.  
The Lubrizol Corporation is a Berkshire Hathaway company.'



## ASTRAL Foamcore® PVC PIPE FOR DWV & UNDERGROUND SYSTEMS



## ASTRAL DWV® DRAIN WASTE & VENT LEAK PROOF SYSTEM



## ASTRAL UNDER GROUND DRAINAGE SYSTEMS



## ASTRAL WAVIN AS

# World Class Product Range



**ASTRAL**  
**ULTRADRRAIN®**  
CONVENTIONAL SYSTEM



**ASTRAL**  
**Aquarius®**  
STANDARDS REDEFINED  
uPVC PLUMBING SYSTEM FOR OUTER LOOP LINES



**ASTRAL**  
**BORE-WELL**  
LEAD FREE UPVC COLUMN PIPES



**ASTRAL**  
**AquaSAFE®**



**ASTRAL**  
**DRAINMASTER**  
SUPERIOR PUSH-FIT SYSTEM



**WELD-ON**



**ASTRAL**  
**FIRST**  
CORPORATION



**ASTRAL**  
**Wire Guard**  
Conduit Pipes & Fittings



**ASTRAL** Clamps & Hangers

# Astral Poly Tech acquires 76 per cent in Resinova for Rs 213 crore



21 NOV 2014

MUMBAI: Ahmedabad-based Astral Poly Technik, a major player in CPVC pipes and fittings industry, today said it has acquired 76 per cent stake in Resinova Chemie Ltd (Resinova) for a deal value of Rs 212.8 crore. Astral Poly Technik has acquired 76 per cent stake in Resinova Chemie for a total deal value of Rs 212.8 crore and transaction values Resinova at an enterprise valuation of Rs 289 crore, a company statement said.



The company Resinova is into manufacturing and marketing of highly diversified range of adhesives and sealants and sells its products in approximately 50 brands.

In August 2014, Astral had completed the acquisition of 80 per cent stake in UK-based Seal It Services Ltd (Seal-It) which manufactures and sells a comprehensive range of sealants, adhesives, water proofing, cleaning products.

Commenting on the transaction, Astral MD Sandeep Engineer said, "Astral has established itself as a strong participant in the CPVC pipes and fittings sector. In high-growth Indian adhesive market, the Resinova acquisition provides a strong platform which is highly complementary to Astral strengths."

This acquisition will synergise with Astral existing businesses by deepening and widening its product offerings. Seal-It and Resinova will enable building a robust and valuable adhesive business, he added.

## Astral rocks D-Street by rallying over 3400% in last 5 years

The rally is thanks to two stock splits – one in 2010 and the other one in 2013. Brokerage firm Dolat Capital says, "We expect growth trajectory to be driven by new products - Blaze Master, Bore well column pipes and adhesives. Exclusivity in Blaze Master will go a long way to establish. Near-term consolidation will be helpful to sustain outperformance in the medium term."

## 20-25% topline growth next year

Ahmedabad-based Astral Poly Technik expects a 20-25 percent topline growth next year driven by two foreign acquisitions which are doing extremely well. CFO Hiranand Savlani told CNBC-TV18 on the sidelines of Antique Conference that there is enormous scope to improve margins from current levels.



Resinova MD Vijay Parikh said the strategic move between two fast growing companies in synergistic sectors has exceptional potential to develop the adhesive market in India.

"Combined with Astral presence in the international market, thrust will be on using technical strength and distribution network of both companies to harness the potential of this business," Parikh added.

If undelivered please return to:



ASTRAL POLY TECHNIK LIMITED CIN: L25200GJ1996PLC029134

Registered & Corporate Office: 207/1, 'Astral House', B/h Rajpath Club, Off S. G. Highway, Ahmedabad - 380059, Gujarat, India.  
Phone: +91-79-6621 2000 | Fax: +91-79-6621 2121 | Email: info@astralpipes.com | Website: www.astralpipes.com