



PAPL

Padmanabh Alloys & Polymers Ltd.



TWENTY SECOND ANNUAL REPORT
2016-2017

TWENTY SECOND ANNUAL REPORT**BOARD OF DIRECTORS**

Mr. Bhikhubhai M. Desai	Chairman & Wholetime Director
Mr. Vijaybhai D. Vashi	Wholetime Director
Mr. Chetankumar M. Desai	Wholetime Director
Mr. Hemalkumar R. Desai	Wholetime Director
Mr. Dilipkumar K. Desai	Independent Director
Mr. Pravinchandra G. Desai	Independent Director
Mr. Hiler K. Desai	Independent Director
Mr. Nileshkumar A. Desai	Independent Director
Mrs. Varshabahen D. Desai	Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Mihir M. Mehta	Chief Financial Officer
Mr. Sajiv I. Shah	Chief Executive Officer
Mr. Akshay A. Jain	Company Secretary

BANKERS**HDFC Bank Ltd.****REGISTERED OFFICE & FACTORY**

N.H.No.8, Village: Palsana ,Dist.Surat (Gujarat)

REGISTRAR AND SHARE TRANSFER AGENT**Purva Sharegistry (I) Private Limited**
9 Shiv Shakti Ind. Estt., J.R. Boricha Marg, Lower Parel (E), Mumbai 400 011**AUDITORS****M/s Nilkanth Desai & Associates**
Chartered Accountants - Surat**LISTED AT****BSE Ltd.****CONTENTS & PAGE NO.**

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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of Members of Padmanabh Alloys & Polymers Limited (CIN: L17110GJ1994PLC023540) will be held at Registered office of the company at N.H.8, Village-Palsana Tal-Palsana, Dist- Surat 394315 on 30th September, 2017 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution:

RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted

2. To appoint a Director in place of Shri Hemalkumar Rajeshkumar Desai (DIN: 01766174), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Hemalkumar Rajeshkumar Desai (DIN: 01766174), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

3. To appoint statutory auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of section 139, 142 of the Companies Act, 2013 and Rules made thereunder, M/s SNK & Co., Chartered Accountants, having Firm Registration No. 109176W be and is hereby appointed as Statutory Auditors of the company.

Resolved further that the auditors shall hold office for five years pursuant to section 139 of The Companies Act, 2013.

Resolved further that board of directors be authorised to determine the remuneration payable to statutory auditors.

SPECIAL BUSINESS

4. To re-appoint Shri Bhikhubhai Mohanbhai Desai (DIN: 00051591) as Whole-time Director and in this regard, pass the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013, the members of the Company hereby approves the re-appointment of Shri Bhikhubhai Mohanbhai Desai (whose term of appointment as Whole-time director expired on 31/08/2017 and who was reappointed by board of directors) as Whole-time Director with effect from 01/09/2017 for five years at a Remuneration within the limits set out in Part -II of Schedule V of The Companies Act, 2013 and perquisites within the limits set out in section IV of Part- II of Schedule V of The Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of the Whole-time Director the Company has no profits or its profits are inadequate, Shri Bhikhubhai Mohanbhai Desai shall be entitled to receive above remuneration including perquisites as

minimum remuneration in accordance with the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be applicable from time to time.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Committee approved by the Board as it may in its discretion deem fit within the maximum amount payable to the Whole-time Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 as may be applicable form time to time.

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the registered office of the company not later than forty-eight hours before the commencement of the meeting.

2. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant board resolution together with the representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
5. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the members at the Company's registered office on all working days of the Company, during business hours up to the date of the meeting.
6. A statement setting out the following material facts concerning each item of special business to be transacted at a general meeting is annexed.
7. The Register of Members and Share Transfer Books of the company will be closed from Saturday, 23rd September, 2017 to Saturday, 30th September, 2017 both days inclusive.

8. Members are requested to send all communications relating to shares of the Company at the following address:

Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Lower Parel (East) Mumbai 400011

If the shares are held in electronic form, then change of address and change in the Bank Accounts, etc. should be furnished to the respective Depository Participants (DPs).

9. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

10. Information and instructions relating to e-voting are as under:

- a. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of clause 44 SEBI (LODR) Regulations, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services provided by CDSL. It may be noted that this e-voting facility is optional. In order to facilitate those Members, who do not wish to use the e-voting facility, the company is enclosing a Ballot form, resolution passed by members through e-voting or ballot forms are deemed to have been passed as if they have been passed at Annual General Meeting (AGM). The e-voting facility will be available at the link <https://www.evotingindia.com> during the following voting period: Commencement of e-voting: From 9.00 a.m. on Wednesday, 27th September, 2017 to 5.00 p.m. on Friday, 29th September, 2017.
- b. E-voting shall not be allowed beyond 5.00 p.m. on Friday, 29th September, 2017. During the e-voting period, shareholders of the Company, holding shares, as on Monday, 25th September, 2017 may cast their vote electronically.

- c. Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case members cast their votes through both modes, voting done by e-voting shall prevail and vote casted through Ballot Form shall be treated as invalid.
- d. In case a member is desirous of obtaining a duplicate Ballot Form, he/she may send an e-mail to investor@padmanabh.in by mentioning their Folio No. / DP ID and Client ID No. However the duly completed Ballot Form Should reaches the scrutinizer, Mr. Kunjal Dalal C/o Padmanabh Alloys & Polymers Limited, N.H.8, Village-Palsana Tal-Palsana, Dist- Surat 394315 not later than Friday, 29th September, 2017 (5.00 p.m.). Ballot Forms received after this date will be treated as invalid.
- e. The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- f. The Company has appointed Mr. Kunjal Dalal, Proprietor K. Dalal & Co., Practicing Company Secretaries, as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 27th September, 2017 at 09.00 a.m. and ends on Friday, 29th September, 2017 at 05.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 25th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha -numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Padmanabh Alloys & Polymers Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and

password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

A statement setting out the following material facts pursuant to section 102(1) of The Companies Act, 2013:-

For Item No. 4

Item no. 4 deals with re-appointment of Shri Bhikhubhai Mohanbhai Desai as Whole-time Director of the Company.

Shri Bhikhubhai Desai is the promoter director of the company and is actively engaged in management of company since incorporation. He is Graduate in engineering and has vast experience in business management. He has been contributing in the development of the company and it shall be in interest of the company to continue to avail his services and re-appoint him as Whole time director of the company. He is also chairman of the company.

The remuneration and perquisites payable to them shall be within limits set out under provision of section 196, 197 and Schedule V of The Companies Act, 2013.

The board of directors recommends the Resolutions set out in Item No. 4 of the accompanying notice for approval by the members.

None of the Directors or Key Managerial Personnel except Shri Chetan Bhai Desai, Shri Hemal Desai be relatives of Shri Bhikhubhai Desai and the appointee director, are in any way concerned or interested in the Resolution.

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

Information in respect of re-appointment of directors at Annual General Meeting Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015		
Name of directors	Mr. Hemalkumar Rajeshkumar Desai	Shri. Bhikhubhai Mohanbhai Desai
Age	36 Years	61 Years
Qualifications	Graduate	Bachelor in engineering
Experience	More than 10 Years	More than 30 Years
Nature of Expertise	Accounting and Administration	Technical and Marketing
Inter-se Relationship	Mr. Hemal Desai is son of Shri Bhikhubhai Desai and nephew of Mr. Chetan Desai	Shri Bhikhubhai Desai is brother of Chetan Desai and father of Mr. Hemal Desai
Name of the listed entity in which person holds directorship and membership of committee of board	NIL	NIL
Shareholding of non- executive directors	Not applicable since the appointee is executive director.	Not applicable since the appointee is executive director.

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

BOARD OF DIRECTOR'S REPORT

To

The Members,

Padmanabh Alloys & Polymers Limited

Your directors present Annual report on the business and operations of the company to gather with Audited Statement of Accounts of the company for the year ending 31st March 2017.

The particulars pursuant to sub section 3 of section 134 of the companies act, 2013 are given below.

- a) The extract of annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013:**
The extract of Annual return is in format MGT-9 for the financial year ended 31/03/2017 is enclosed at "Annexure A" of this report.
- b) Number of meetings of the Board:**
During the year 2016-17, 7 meetings of Board of Directors were held on 30.05.2016, 26.07.2016, 05.08.2016, 10.08.2016, 12.11.2016, 11.02.2017, 14.02.2017.
- c) Director's Responsibility Statements:**
The director's state that:
- i) In the preparation of annual accounts for the financial year ended 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
 - ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March and of the profit/loss of the company for that period;
 - iii) The directors had taken proper and sufficient care for 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;
 - iv) The director had prepared the annual accounts on a going concern basis;
 - v) The director had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
 - vi) The director had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- ca) Details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the central government.**
Auditor has not reported any fraud under sub-section (12) of section 143 of The Companies Act, 2013.
- d) A Statement on Declaration given by Independent Directors under sub-section (6) of section 149.**
The independent Directors have submitted declaration pursuant to Section 149(7) confirming that they meet the criteria of independence pursuant to section 149(6). The statement has been noted by Board of Directors.
- e) If Company covered under sub-section (1) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of**

director and other matter provided under sub-section (3) of section 178.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of director and key managerial personal and their remuneration. The policy is disclosed at "Annexure B" in pursuance of provision to section 178(3) of the companies Act 2013.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the company other than sitting fees for attending the meeting of the Board/Committee. Remuneration to the Whole Time Director/Managing Director is governed by the relevant provisions of the Companies Act, 2013.

f) Explanations or comments by the board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report / by the company secretary in practice in his secretarial audit report.

The statutory auditors have not made any qualifications, reservations or adverse remarks or disclaimer in the report and no explanation or comments by the board is required.

The Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013 in prescribed Form MR-3 is attached to as "Annexure C" to this report. The Company has taken note of Qualification, Reservation etc in the Said report and shall make arrangement for necessary compliance in future.

g) Particulars of loans, guarantees or investments under section 186 of Companies act, 2013

Company has not during the year under review (a) given any loan to any person or other body corporate (b) Given any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) Acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, Exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more and hence the particulars are not required to be included in this report.

h) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form (Form AOC-2)

The company has entered into transactions referred to in section 188(1) of The Companies Act, 2013 with related party and as such particulars in form AOC-2 are attached to this report.

FORM AOC-2

Material related party Transactions

I. Details of contract or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2017 which were not at arm's length basis

II. Details of material contracts or arrangements or transactions at arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2017 are as follows.

Sr. No.	Name of the Related Party & Relationship	Nature of Transaction	Duration	Salient Terms	Amount
01	Bhikhubhai Mohanbhai Desai-Wholetime Director	Director's Remuneration	Ongoing	On arm's length basis in ordinary course of business	600000/-
02	Vijaybhai Dolatrai Vashi-Wholetime Director	Director's Remuneration			960000/-
03	Chetankumar Mohanbhai Desai-Wholetime Director	Director's Remuneration			960000/-
04	Hemalkumar Rajeshkumar Desai-Wholetime Director	Director's Remuneration			600000/-
05	Bhikhubhai Mohanbhai Desai-Wholetime Director	Director's Reimbursement			36000/-
06	Vijaybhai Dolatrai Vashi-Wholetime Director	Director's Reimbursement			72000/-
07	Chetankumar Mohanbhai Desai-Wholetime Director	Director's Reimbursement			72000/-
08	Hemalkumar Rajeshkumar Desai-Wholetime Director	Director's Reimbursement			36000/-
09	Bhikhubhai Mohanbhai Desai-Wholetime Director	House Rent Allowance			60000/-
10	Vijaybhai Dolatrai Vashi-Wholetime Director	House Rent Allowance			96000/-
11	Chetankumar Mohanbhai Desai-Wholetime Director	House Rent Allowance			96000/-
12	Hemalkumar Rajeshkumar Desai-Wholetime Director	House Rent Allowance			60000/-
13	Sanjiv Indravadan Shah	Salary as CEO			492600/-
14	Mihir Mukundbhai Mehta	Salary as CFO			145920/-
15	Akshay Jain	Salary as CS			180000/-
16	Kreta Vijaybhai Vashi	Salary			480000/-

i) The state of Company's affairs

There is no Material change in the state of affairs of the company particularly nature of business being carried out.

The turnover of the company has decreased from Rs. 28,00,94,687/- in the year 2015-16 to Rs. 26,95,15,960/- in the year 2016-17. The Company had a profit of Rs. 75,31,914/- in the year 2015-16 and in the year 2016-17 the profit of the company was Rs. 71,64,269/-.

The Company has not issued any shares or Debentures during the year. There is no change in the status of the company or the accounting year.

j) The amount, if any, which it proposes to carry to any reserves

The Directors do not proposes to carry any amount to reserves.

k) The amount, if any, which it recommends should be paid by way of dividend

The Directors do not recommend any amount to be paid by way of dividend.

l) Material Changes and commitments, if any, Affecting the Financial Position of the Company which have occurred between the Ends of the financial year of the company to which the financial statements relate and the date of the report.

There are no material changes and/or commitments affecting financial position of the Company occurred after end of financial year till date of this report.

m) The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in such manner as may be prescribed.

Information and details pursuant to Rule 8(3) of the companies (Accounts) Rules, 2014 with respect to above is given below.

(A) CONSERVATION OF ENERGY-

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipments: NIL

(B) TECHNOLOGY ABSORPTION-

- i) The efforts made towards technology absorption: NotApplicable
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NotApplicable
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a. The details of technology imported : NotApplicable
 - b. The year of import: NotApplicable
 - c. Whether the technology been fully absorbed: NotApplicable
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable and
- iv) The expenditure incurred on Research and Development: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

Foreign Exchange earned (actual inflows during the year): Rs. NIL

Foreign Exchange outgo (actual outflows): Rs. NIL

- n) A statement including development and implementation of a Risk Management Policy for the company including identification therein of elements of risk, if any, which in the opinion of the board may threaten the existence of the company;**

The Directors do not foresee any risk that may threaten the existence of the company in normal course. The Directors proposes to develop and implement specific Risk Management Policy on identification of any risk.

- o) The details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;**

Since the net worth of the company is below Five Hundred crores, Turnover of the company is below one thousand crores, Net Profit of the company is below five crores. The provision of Section 135 of The Companies Act, 2013 is not applicable to the company and hence the company is not required undertake any corporate Social Responsibility (CSR) initiatives.

- p) In case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:**

Pursuant to provision of the Companies Act, 2013 the board has carried out the annual performance evaluation of its own performance as well as the evaluation of the Audit Committee and Nomination & Remuneration Committee.

The chairman of Board of directors and the chairman of Nomination & remuneration Committee met all the directors individually to get an overview of the functioning of the board and its constituents inter alia on the following board criteria i.e. attendance and level of participation, independence of judgment exercised by independent directors, interpersonal relationship etc.

Based on the valuable inputs received, the directors are encouraged for effective role in company's management.

- q) Such other matters as may be prescribed.**

(Pursuant to rule 8(5) of The Companies (Accounts) Rules, 2014)

- i) The Financial summary or highlights

The summary of financial Results (standalone) for the year under review is as under:-

Particulars	As on 31/03/2017	As on 31/03/2016
Turnover and other income	270277385.00	280400657.00
Profit/Loss (-) before Financial Charges & depreciation	12300415.00	13992516.00
Interest and Financial Charges	2788217.00	3175665.00
Profit/Loss(-) before depreciation	9512198.00	10816851.00
Depreciation	710425.00	1122937.00
Profit /Loss(-) After Tax for the year	7164269.00	7531914.00

- ii) **The Change in the nature of business, if any:**
There is no Material change in nature of business of the company.
- iii) **The Details of Directors or key managerial personnel who were appointed or have resigned during the year:**
There are no changes in directors and Key Managerial Personnel of the company during the year.
- iv) **The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;**
No company has become or ceases to be subsidiary, joint venture or associate company.
- v) **The details relating to deposits, covered under Chapter V of the Act, -**
- (a) Accepted during the year: NIL
 - (b) Remained unpaid or unclaimed as at the end of the year: NIL
 - (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
 - (i) At the beginning of the year: NotApplicable
 - (ii) Maximum during the year: NotApplicable
 - (iii) At the end of the year: NotApplicable
- vi) **The details of deposits which are not in compliance with the requirements of Chapter V of the Act:** NIL
- vii) **The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:** NIL
- viii) **The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**
The company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on continuous basis covering all major operation. During the year no Reportable Material weakness in the operation was observed.

Disclosures under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.		
Sr. No.	Requirement under Rule 5(1)	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	B.M. Desai : 4.85:1 V.D. Desai : 7.76:1 C.M. Desai : 7.76:1 H.R. Desai : 4.85:1
(ii)	The percentage increase in remuneration of each director, chief financial officer, Chief Executive officer, company secretary or manager in the financial year.	B.M. Desai : 13.89% V.D. Desai : 19.76 % C.M. Desai : 27.32 % H.R. Desai : 14.15 % CFO : 9.20 % Not applicable for CEO and CS as there is no increase in their salary

(iii)	The percentage increase in the median remuneration of employees in the financial year	No increase in median remuneration of the employees.
(iv)	Number of permanent employees on the rolls of the company as on 31 st March, 2017.	27
(v)	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	19.63% increment in managerial remuneration, however there is no increase in average salaries of the employees and no exceptional circumstances exist.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	The company affirms remuneration as per the remuneration policy of the company.

No Employee of the company has been paid Remuneration in excess of limits laid down in rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence statement showing details thereof is not applicable.

Audit Committee:

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. The Audit committee comprises of 3 directors namely Shri Dilipkumar Khandubhai Desai, Shri Hiler Kiranbhai Desai and Shri Chetankumar Mohanbhai Desai. Shri Dilipkumar Khandubhai Desai is the Chairman of the Audit Committee. During the year there was no instance where the board had not accepted the Recommendation of Audit Committee.

Vigil Mechanism/Whistle Blower Policy

Pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014, the Board of Director has adopted vigil mechanism in the form of Whistle Blower Policy through which, its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

It is the Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The said policy provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors.

Shri Dilipkumar Khandubhai Desai, the Chairman of the Audit Committee can be contacted to report

any suspected/confirmed incident of fraud/misconduct on:

Email: investor@padmanabh.in

Contact no.: 0261-2232598

Your Company hereby affirms that no director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Board of Directors place on records the services of all stakeholders and associates who have co-operated in the working of the Company

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat

Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

“Annexure A”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS :										
i.	CIN		L17110GJ1994PLC023540							
ii.	Registration Date		09/11/1994							
iii.	Name of the Company		Padmanabh Alloys & Polymers Limited							
iv.	Category / Sub-Category of the Company		Company Limited By Shares/ Indian Non-Government Company							
v.	Address of the Registered office and contact details		Village-Palsana Tal-Palsana Dist, Surat-394315							
vi.	Whether listed company		Listed Company							
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any		Purva Share Registry India Pvt. Ltd. 9, Shiv Shakti Indl. Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E), Mumbai 400011 Tel.: 022-23016761 Email address: busicomp@vsnl.com							
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY										
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-										
Sr. No	Name and Description of main products / services			NIC Code of the Product/ service	% to total turnover of the company					
01	Plastic and Plastic Products			99884230	100%					
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -										
Sr. No.	Name and Address of the Company			CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section			
Not Applicable										
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
i) Category-wise Share Holding										
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a)	Individual/ HUF	0	1539400	1539400	28.44	20100	1243400	1263500	23.34	(5.10)
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp.	0	1388600	1388600	25.65	0	1293100	1293100	23.89	(1.76)
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any other	0	0	0	0	0	0	0	0	0

Sub-Total (A) (1):	0	2928000	2928000	54.09	20100	2536500	2556600	47.23	(6.86)
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs-Individual	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A)= (A)(1)+(A)(2)	0	2928000	2928000	54.09	20100	2536500	2556600	47.23	(6.86)
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	299500	299500	5.53	0	299500	299500	5.53	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	0	299500	299500	5.53	0	299500	299500	5.53	0
(2) Non-Institutions									
a) Bodies Corp									
i. Indian	0	58402	58402	1.08	0	58402	58402	1.08	0
ii. Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i. Individual shareholders holding nominal	0	1176398	1176398	21.73	5500	1542298	1547798	28.59	6.86

ii.	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	450800	450800	8.33	50000	400800	450800	8.33	0
c)	Others (specify) -Non Resident Indian	0	500200	500200	9.24	0	500200	500200	9.24	0
Sub-Total (B) (2):		0	2185800	2185800	40.37	55500	2501700	2557200	47.23	6.86
Total Public Shareholding (B)= (B)(1)+ (B)(2)		0	2485300	2485300	45.91	55500	2801200	2856700	52.77	6.86
C.	Shares Held By Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)		0	5413300	5413300	100	75600	5337700	5413300	100	0

ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Share holding at the Beginning of the year			Share holding at the end of the year			% change in share holding 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	
01	Ebrahim S Darvesh	300000	5.54	0	300000	5.54	0	0
02	Mohd Farook S Darvesh	250000	4.62	0	250000	4.62	0	0
03	Nilesh Gandhi	120000	2.22	0	120000	2.22	0	0
04	Ranjitbhai R Desai	85700	1.58	0	0	0	0	(1.58)
05	Jagruti V Desai	56000	1.03	0	56000	1.03	0	0
06	Yagnesh R Desai	55100	1.02	0	0	0	0	(1.02)
07	Sumant C Desai	53700	0.99	0	53700	0.99	0	0
08	Vijay D Vashi	50200	0.93	0	50200	0.93	0	0
09	Vasav S Desai	50100	0.93	0	50100	0.93	0	0
10	Madhuben R Desai	46100	0.85	0	0	0	0	(0.85)
11	Bhavana Tushar	40600	0.75	0	0	0	0	(0.75)

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12	R Dalal	28000	0.52	0	28000	0.52	0	0
13	Sonal Y Desai	26700	0.49	0	0	0	0	(0.49)
14	Kamuben C Desai	26500	0.49	0	26500	0.49	0	0
15	Dharmesh R Vashi	20000	0.37	0	20000	0.37	0	0
16	Nitin M Desai	20000	0.37	0	20000	0.37	0	0
17	Trushar R Desal	19200	0.35	0	0	0	0	(0.35)
18	Hansaben M Desai	14500	0.27	0	14500	0.27	0	0
19	Bhanuben S Desai	12200	0.23	0	12200	0.23	0	0
20	Kishorchandra M Desai	10900	0.20	0	10900	0.20	0	0
21	Bhikhubhai M Desai	10100	0.19	0	10100	0.19	0	0
22	Rajeshbhai Umedbhai	10000	0.18	0	10000	0.18	0	0
23	Chetan M Desai	10000	0.18	0	10000	0.18	0	0
24	Rasmiben R Desai	10000	0.18	0	10000	0.18	0	0
25	Nimishaben N Desai	10000	0.18	0	10000	0.18	0	0
26	Padmanabh Polymers Pvt Ltd	712900	13.17	0	712900	13.17	0	0
27	Noble Merchandise (I) Pvt Ltd	450200	8.32	0	450200	8.32	0	0
28	Devarshi Investment Pvt Ltd	95500	1.76	0	0	0	0	(1.76)
29	Jinang Investment Pvt Ltd.	70000	1.29	0	70000	1.29	0	0
30	Avishkar Leasing & Inv. P Ltd	45000	0.83	0	45000	0.83	0	0
31	P R Patel Forgange Engineering	15000	0.28	0	15000	0.28	0	0
32	s below 10000	203800	3.76	0	201300	3.71	0	(0.05)
Total		2928000	54.09	0	2556600	47.23	0	(6.86)

iii) Change in Promoters Shareholding (please specify, if there is no change)					
Sr. No.	Name of Promoter	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
01	Yagnesh R Desai				
	At the beginning of the year	55100	1.01	55100	1.01
	Date wise Increase / Decrease in Share holding during the year	55100	1.01	55100	1.01
	At the end of the year	0	0	0	0
02	Ranjitbhai Ramanlal Desai				
	At the beginning of the year	85700	1.58	85700	1.58
	Date wise Increase / Decrease in Share holding during the year	85700	1.58	85700	1.58
	At the end of the year	0	0	0	0
03	Sonal Yagnesh Desai				
	At the beginning of the year	26700	0.49	26700	0.49
	Date wise Increase / Decrease in Share holding during the year	26700	0.49	26700	0.49
	At the end of the year	0	0	0	0
04	Bhavana Tushar Desai				
	At the beginning of the year	40600	0.75	40600	0.75
	Date wise Increase / De crease in Share holding during the year	40600	0.75	40600	0.75
	At the end of the year	0	0	0	0
05	Madhuben R Desai				
	At the beginning of the year	46100	0.85	46100	0.85
	Date wise Increase / Decrease in Share holding during the year	46100	0.85	46100	0.85
	At the end of the year	0	0	0	0
06	Trushar R Desai				
	At the beginning of the year	19200	0.35	19200	0.35
	Date wise Increase / Decrease in Share holding during the year	19200	0.35	19200	0.35
	At the end of the year	0	0	0	0
07	Mira D Desai				
	At the beginning of the year	2500	0.04	2500	0.04
	Date wise Increase / Decrease in Share holding during the year	2500	0.04	2500	0.04
	At the end of the year	0	0	0	0
08	Devarshi Investment Pvt Ltd.				
	At the beginning of the year	95500	1.76	95500	1.76
	Date wise Increase / Decrease in Share holding during the year	95500	1.76	95500	1.76
	At the end of the year	0	0	0	0

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):					
Sr. No.	For Each of the Top 10 Shareholders	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
01	Shcil- Shriram M. F. Tax Gur.95				
	At the beginning of the year	299500	5.53	299500	5.53
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	299500	5.53	299500	5.53
02	Bajaj Auto Holdings Limited				
	At the beginning of the year	200000	3.69	200000	3.69
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	200000	3.69	200000	3.69
03	Dinesh Seetha				
	At the beginning of the year	200000	3.69	200000	3.69
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	200000	3.69	200000	3.69
04	Urmila Seetha				
	At the beginning of the year	70000	1.29	70000	1.29
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	70000	1.29	70000	1.29
05	Mitul Pravinchandra Desai				
	At the beginning of the year	95500	1.76	95500	1.76
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	95500	1.76	95500	1.76
06	Yogesh Ranchhoddas Choksey				
	At the beginning of the year	50000	0.92	50000	0.92
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	50000	0.92	50000	0.92
07	Mihir M. Mehta				
	At the beginning of the year	45000	0.83	45000	0.83
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	45000	0.83	45000	0.83
08	Sohini Patel				
	At the beginning of the year	20000	0.37	20000	0.37
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	20000	0.37	20000	0.37
09	Amrutbhai Bhula Bhai Desai				
	At the beginning of the year	46000	0.83	46000	0.83
	Date wise Increase / Decrease in Share	NIL	NIL	NIL	NIL

10	Khandwala Securities Limited				
	At the beginning of the year	12500	0.23	12500	0.23
	Date wise Increase / Decrease in Share holding during the year	NIL	NIL	NIL	NIL
	At the end of the year	12500	0.23	12500	0.23
V) Shareholding of Directors and Key Managerial Personnel:					
Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Chetankumar Mohanbhai Desai				
	At the beginning of the year	10000	0.18	10000	0.18
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	10000	0.18	10000	0.18
02	Vijaybhai Dolatrai Vashi				
	At the beginning of the year	50200	0.93	50200	0.93
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	50200	0.93	50200	0.93
03	Bhikhubhai Mohanbhai Desai				
	At the beginning of the year	10100	0.19	10100	0.19
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	10100	0.19	10100	0.19
04	Dilipkumar Khandubhai Desai				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0
05	Hemalkumar Rajeshkumar Desai				
	At the beginning of the year				
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year				
06	Pravinchandra Gulabbhai Desai				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0
07	Hiler Kiranbhai Desai				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0
08	Nileshkumar Amrutlal Desai				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share	0	0	0	0

09	Varshabahaen Dipakbhai Desai				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0
10	Mihir Mukundbhai Mehta				
	At the beginning of the year	45000	0.83	45000	0.83
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	45000	0.83	45000	0.83
11	Akshay Jain				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0
12	Sanjiv Indravadan Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year	0	0	0	0
	At the end of the year	0	0	0	0

I. INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	28678307.00	0	0	28678307.00
ii)	Interest due but not paid	0	0	0	0
iii)	Interest accrued but not due	0	0	0	0
Total (i + ii + iii)		28678307.00	0	0	28678307.00
Change in Indebtedness during the financial year					
* Addition		0	0	0	0
* Reduction		2536123.00	0	0	2536123.00
Net Change		2536123.00	0	0	2536123.00
Indebtedness at the end of the financial year					
i)	Principal Amount	26142184.00	0	0	26142184.00
ii)	Interest due but not paid	0	0	0	0
iii)	Interest accrued but not due	0	0	0	0
Total (i + ii + iii)		26142184.00	0	0	26142184.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL							
A. Remuneration to Managing Director, Wholetime Directors and/or Manager:							
Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount	
		Chetankumar Mohanbhai Desai	Vijaybhai Dolatrai Vashi	Bhikhubhai Mohanbhai Desai	Hemalkumar Rajeshkumar Desai		
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	960000/-	960000/-	600000/-	600000/-	3120000/-	
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	168000/-	168000/-	96000/-	96000/-	528000/-	
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL	NIL	
2.	Stock Option	NIL	NIL	NIL	NIL	NIL	
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL	
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL	
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL	
	Total (A)	1128000/-	1128000/-	696000/-	696000/-	3648000/-	
	Ceiling as per the Act	84 Lakhs	84 Lakhs	84 Lakhs	84 Lakhs	336 Lakhs	
B. Remuneration to other directors:							
Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Independent Directors	Dilipkumar Khandubhai Desai	Pravinchandra Gulabbhai Desai	Hiler Kiranbhai Desai	Nileshkumar Amrutlal Desai	
	Fee for attending board committee meetings	4000/-	4000/-	4000/-	3000/-	2000/-	17000/-
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	4000/-	4000/-	4000/-	3000/-	2000/-	17000/-
	Other Non-Executive Directors	N.A.					N.A.
	Fee for attending board committee meetings	N.A.					N.A.

	Commission	N.A.		N.A.
	Others, please specify	N.A.		N.A.
	Total (2)	N.A.		N.A.
	Total (B)=(1+2)	N.A.		N.A.
	Total Managerial Remuneratio n	N.A.		N.A.
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.

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

S.N	Particulars of Remuneration	Key Managerial Personnel		
		Mihir Mehta (Chief Financial Officer)	Akshay Jain (Company Secretary)	Sanjiv Shah (Chief Executive Officer)
1.	Gross salary	145920.00	180000.00	492600.00
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	145920.00	180000.00	492600.00
	(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	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- Others specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	145920.00	180000.00	492600.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
A. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

“Annexure B”

DISCLOSURE OF POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

(Pursuant to subsection 3 and 4 of section 178 of The Companies Act, 2013)

Remuneration Policy:

1. Remuneration to managerial personnel will be recommended to the board by the committee and same shall be subject to approval of shareholders and/or central government where ever required.
2. Remuneration to managerial personnel shall be in accordance with the provisions of the Companies Act, 2013 and other applicable acts.
3. Increment to existing remuneration shall be as per recommendation of committee and within the limits approved by shareholders.

Remuneration to managerial personnel:

1. The managerial personnel shall be entitled to monthly remuneration as approved by the board on recommendation of the committee and same shall be in accordance with the provision of the Companies act, 2013 and rules made there under The breakup of pay scale and quantum of perquisites and non-monetary benefits shall also be approved by board on recommendation of the committee.
2. The managerial Personnel shall also be eligible to performance linked incentives as may be determined by board.
3. The managerial personnel may also be paid commission as may be approved by shareholders.
4. The managerial personnel shall be entitled to minimum remuneration in accordance with Schedule V of the Companies Act, 2013 in event of no profit or inadequacy of profit.

Remuneration to Non-executive / Independent directors:

1. The remuneration shall be in accordance with the Companies Act, 2013 and rules made there under.
2. The non-executive/independent directors may receive sitting fees for attending the meeting of board of directors or a committee which shall be within the prescribed limit under the act. Non – executive directors shall be reimbursed travelling and incidental expense for attending the meeting.
3. Non- executive directors may also be paid commission subject to approval by the shareholders and within the limit not exceeding 1% of the profit of the company.
4. Non-executive directors shall not be entitled stock options.

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/-
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

“Annexure C”

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial year Ended on 31st March, 2017

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

To,

The Members

Padmanabh Alloys & Polymers Limited

N.H.8, Village-Palsana Tal-Palsana, Dist- Surat 394315

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Padmanabh Alloys & Polymers Limited (CIN: L17110GJ1994PLC023540)** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Padmanabh Alloys & Polymers Limited for the financial year ended on 31st March, 2017 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period);**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
- h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations to the Company. We report that the Company has complied with the provisions of those Acts that are applicable to Company.

As per information given to us no sector specific laws are applicable to the company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings;
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange and /or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except to the extent that:

- 1. Entire shareholding of promoter(s) and promoter group is not in dematerialized form as required in accordance with provision of Regulation 31 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015.
- 2. Company has not appointed internal auditor in compliance with section 138 of The Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules 2014.
- 3. The auditor appointed by company for limited review reports and audit report is yet to subject himself to peer review process as required under Regulation 33(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

We further report that:

The compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

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

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

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

- i. Public / Right / Preferential issue of shares / debentures / Sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations.

For K. Dalal & Co.
Company Secretaries

Place: Surat

Date: 07/09/2017

sd/-
Kunjla Dalal
Proprietor
FCS No. 3530 COP No. 3863

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

Annexure 'A'

To,
The Members
Padmanabh Alloys & Polymers Limited
N.H.8, Village-Palsana Tal-Palsana, Dist- Surat 394315

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

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

For K. Dalal & Co
Company Secretaries

Place: Surat

Date: 07/09/2017

sd/-
Kunjla Dalal
Proprietor
FCS No. 3530 COP No. 3863

Disclosures pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

A. Related Party Disclosure

Sr. No.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	<ul style="list-style-type: none">○ Loans and advances in the nature of loans to subsidiaries by name and amount: NIL○ Loans and advances in the nature of loans to associates by name and amount: NIL○ Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company: NIL
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: NIL

B. Management Discussion And Analysis Report:**(a) Industry structure and developments:**

Padmanabh is a public limited company established in 1994 for manufacturing filled and reinforced thermoplastic compounds and master batches. Company manufactures mineral filled thermoplastic, mineral master batches, synthetic paper master batches, glass reinforced thermoplastic and other specialty master batches.

Company also offers special additive master batches to enable plastic processors themselves to create tailor made products. All our products have varied applications in one form or other they will make their appearance in every household, automobile, offices, practically everywhere. Naturally, the demand for these products is always on higher side. Company is supported by a well equipped quality control laboratory and a very advanced research & development section. Company also produces tailor made products as per specifications given by customer.

(b) Opportunities and Threats:**Opportunities:**

1. Increase in demand across the country for high quality premium products.
2. Large and potential domestic and international market. Promising export potential.

Threats:

1. Pricing pressure.
2. Enhanced competition from other countries.

3. Rising production cost from increasing wages, power and interest cost.

(c) Segment-wise or product-wise performance:

Company operates in single segment and segment wise reporting is not applicable, Product –wise performance is expected to improve.

(d) Outlook:

The Company shall continue to explore its policy of expansion based on availability of resources and opportunity.

(e) Risks and concerns:

Risk is an inherent part of any business. There are various types of risks, that threat the existence of a company like Strategic Risk, Business Risk, Finance Risk, Finance Risk, Environment Risk, Personnel risk, Operational Risk, Reputation Risk, Regulatory Risk, Technology Risk, Political Risk etc. Your company aims at enhancing and maximizing shareholders value by achieving appropriate trade –off between risk & returns.

(f) Internal control systems and their adequacy:

The company has adequate internal control systems and is in process of further strengthening the existing internal control systems. The financial statements are reviewed periodically by the management. The company has set up an internal Audit trail whereby deviations, if any, can be brought to the notice of the management quickly and remedial actions are initiated immediately.

(g) Discussion on financial performance with respect to operational performance:

Particulars	As on 31/03/2017	As on 31/03/2016
Turnover and other income	270277385.00	280400657.00
Profit/Loss (-) before Financial Charges & depreciation	12300415.00	13992516.00
Interest and Financial Charges	2788217.00	3175665.00
Profit/Loss(-) before depreciation	9512198.00	10816851.00
Depreciation	710425.00	1122937.00
Profit /Loss(-) After Tax for the year	7164269.00	7531914.00

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed:

The industrial relations remained cordial throughout the year. The employees of the company have extended a very productive co-operation in the efforts of the management to carry the company the greater heights.

Continuous training down the line is a normal feature in the company to upgrade the skills and knowledge of the employees and workmen of the company.

Disclosure of Accounting Treatment:

Financial statements have been prepared in accordance with applicable Accounting Standards, hence Para B (2) of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the company.

C. Corporate Governance Report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para C of Schedule V of SEBI (LODR) relating to Corporate Governance Report is not applicable to the company.

D. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para D of Schedule V of SEBI (LODR) relating to Declaration by CEO is not applicable to the company.

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para E of Schedule V of SEBI (LODR) relating to Compliance Certificate is not applicable to the company.

F. Disclosures with respect to demat suspense account/unclaimed suspense account: Not Applicable

**By Order of the Board
For Padmanabh Alloys & Polymers Limited**

Place: Surat
Date: 07/09/2017

sd/
Bhikhubhai Mohanbhai Desai
Chairman and Whole time director
(DIN: 00051591)

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF****PADMANABH ALLOYS AND POLYMERS LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of **PADMANABH ALLOYS AND POLYMERS LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal financial control relevant to the Company's preparation of the financial

statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters included in the Auditor's Report and to our best of our

information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position]
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company
- iv. Company had provided requisites disclosure in Notes 3.2 of financial statement as to holding as well as dealing in specified Bank Notes during the period from 8th November 2016 to 30th December 2016. These are in accordance with the books of accounts maintained by the company

**For NILKANTH DESAI AND ASSOCIATES
Chartered Accountants**

**Nilkanth Paragji Desai
(Proprietor)
M. No. : 035862
FRN : 107086W
B/507, Tirupati Plaza, Near Collector Office,
Athwagate, Nanpura, Surat-395001 Gujarat**

**Date : 07/09/2017
Place : Surat**

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of PADMANABH ALLOYS AND POLYMERS LIMITED for the year ended 31st March, 2017.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.
(c) Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed
3. The company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
(a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.
(b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.
(c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.
- 7 (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
(b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.

8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45 -IA of the Reserve Bank of India Act, 1934.

**For NILKANTH DESAI AND ASSOCIATES
Chartered Accountants**

**Nilkanth Paragji Desai
(Proprietor)
M. No. : 035862
FRN : 107086W
B/507, Tirupati Plaza, Near Collector Office,
Athwagate, Nanpura, Surat-395001 Gujarat**

**Date : 07/09/2017
Place : Surat**

ANNEXURE - B TO THE AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PADMANABH ALLOYS AND POLYMERS LIMITED**. ("The Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For NILKANTH DESAI AND ASSOCIATES
Chartered Accountants**

**Nilkanth Paragji Desai
(Proprietor)
M. No. : 035862
FRN : 107086W
B/507, Tirupati Plaza, Near Collector Office,
Athwagate, Nanpura, Surat-395001 Gujarat**

**Date : 07/09/2017
Place : Surat**

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017			
CIN: L17110GJ1994PLC023540					
BALANCE SHEET AS AT 31st MARCH, 2017.					
Particulars	NOTE	31.03.2017 ₹.	31.03.2017 ₹.	31.03.2016 ₹.	31.03.2016 ₹.
Equity and Liabilities					
1 Shareholder's Fund :					
a Share Capital	2.1	57,065,000		57,065,000	
b Reserve & Surplus	2.2	9,413,405		2,216,802	
c Money received against share warrants		-	66,478,405	-	59,281,802
2 Share application money pending allotment			-		-
3 Non Current Liabilities					
a Long term borrowings	2.3	-		-	
b Deferred Tax Liabilities (Net)		-		-	
c Other Long term Liabilities		-		-	
d Long term Provisions		-	-	-	-
4 Current Liabilities					
a Short-term borrowings	2.4	26,142,184		28,678,307	
b Trade payables	2.5	36,471,563		29,645,402	
c Other current liabilities	2.6	4,938,475		4,834,524	
d Short-term provisions	2.7	2,586,087	70,138,309	2,723,300	65,881,533
TOTAL			136,616,714		125,163,335
Assets					
1 Non Current Assets					
a Fixed Assets					
(i) Tangible assets	2.8	15,432,907		16,144,698	
b Non-current investments		-		-	
c Deferred tax assets (net)		39,496		-	
d Long term loans and advances	2.9	922,027		852,869	
e Other non-current assets		-	16,394,430	-	16,997,567
2 Current Assets					
a Current Investments		-		-	
b Inventories	3.0	24,064,669		20,384,545	
c Trade Receivables	3.1	79,212,765		74,455,639	
d Cash & Cash Equivalents	3.2	554,567		1,092,420	
e Short-term loans and advances	3.3	16,390,284		12,233,164	
f Other current assets		-	120,222,284	-	108,165,768
TOTAL			136,616,714		125,163,335
In Terms of our attached report of even date					
FOR PADMANABH ALLOYS AND POLYMERS LTD.			For NILKANTH DESAI & ASSOCIATES		
			Chartered Accountants Firm Reg. No. 107086W		
CHETAN M. DESAI	VIJAY D. VASHI	HEMALKUMAR R. DESAI			
DIN:00051541	DIN:00051567	DIN:01766174			
[DIRECTOR]	[DIRECTOR]	[DIRECTOR]			
			CA N. P. Desai Proprietor M.No. 035862		
MIHIR M. MEHTA	AKSHAY A. JAIN				
CHIEF FINANCIAL OFFICER	COMPANY SECRETARY				
			DATE: 07/09/2017 PLACE: SURAT		

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
CIN: L17110GJ1994PLC023540			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017			
Particulars	NOTE	31.03.2017 ₹.	31.03.2016 ₹.
Continuing Operation			
1 Income			
a Revenue from Operations	3.4	269,515,960	280,094,687
b Other Income	3.5	761,425	305,970
c Earning in Foreign Exchange		-	-
TOTAL REVENUE (a+b+c)		270,277,385	280,400,657
2 Expenses			
a Cost of material consumed	3.6	223,801,804	227,891,707
b Purchase of Stock In trade		-	-
c Changes in inventories	3.7	(205,054)	(535,555)
d Manufacturing expenses	3.8	7,911,068	9,117,737
e Employee benefit expenses	3.9	8,950,490	8,170,844
f Finance costs	4.0	2,788,217	3,175,665
g Depreciation and Amortisation expense		710,425	1,122,937
h Other Expenses	4.1	17,518,662	21,763,409
TOTAL EXPENSES (a+b+c+d+e+f+g+h+i)		261,475,612	270,706,743
3 Profit before exceptional and extraordinary items and tax		8,801,773	9,693,914
4 Exceptional Items		-	-
5 Profit before extraordinary items and tax (3 - 4)		8,801,773	9,693,914
6 Extraordinary Items			
Prior Period Exp.		-	-
7 Profit before tax (5 - 6)		8,801,773	9,693,914
8 Tax expense:			
a Deferred Tax		(39,496)	-
b Current Tax		-	-
c Provision for Tax		1,677,000	2,162,000
9 Profit / (Loss) After ax for the year		7,164,269	7,531,914
10 Earning per equity share:			
a Basic	4.2	1.63	1.79
b Diluted		1.63	1.79
FOR PADMANABH ALLOYS AND POLYMERS LTD.		In Terms of our attached report of even date For NILKANTH DESAI & ASSOCIATES CHARTERED ACCOUNTANTS FIRM REG. No. 107086W	
CHETAN M. DESAI DIN:00051541 [DIRECTOR]	VIJAY D. VASHI DIN:00051567 [DIRECTOR]	HEMALKUMAR R. DESAI DIN:01766174 [DIRECTOR]	CA N. P. Desai PROPRIETOR M.No. 035862
MIHIR M. MEHTA CHIEF FINANCIAL OFFICER	AKSHAY A. JAIN COMPANY SECRETARY	DATE: 07/09/2017 PLACE: SURAT	

PADMANABH ALLOYS & POLYMERS LIMITED

CIN: L17110GJ1994PLC023540

Annual Report 2016 - 2017

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH, 2017**

PARTICULARS	Year Ended	
	31st March, 2017 ₹.	31st March, 2016 ₹.
(A) CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extra Ordinary Item	8,801,773	9,693,914
Adjustment for:		
Depreciation	710,425	1,122,937
Interest Charges	2,788,217	3,175,665
Profit on Sale of Fixed Assets	(264,035)	
Other Adjustment for Non Cash Item	71,830	(495,535)
Total Adjustment to Profit / Loss (A)	3,306,437	3,803,067
Adjustment for changes in Working Capital :		
Adjustment for Increase / Decrease in Inventories	(3,680,124)	(5,302,661)
Adjustment for Increase / Decrease in Trade Receivables	(4,757,126)	(10,085,821)
Adjustment for Increase / Decrease in Other Current Assets	(4,940,197)	(1,554,346)
Adjustment for Increase / Decrease in Trade Payables	6,826,161	5,507,747
Adjustment for Increase / Decrease in Other Current Liabilities	103,951	4,898,134
Adjustment for Provision	137,213	755,048
Total Adjustment for Working Capital (B)	(6,310,122)	(5,781,899)
Total Adjustment to Reconcile Profit (A) + (B)	(3,003,686)	(1,978,832)
Net Cash flow from (used in) Operating Activities	5,798,087	7,715,082
Direct Taxes Paid	1,677,000	1,500,000
Cash flow before Extraordinary items	4,121,087	6,215,082
Extraordinary Items	-	-
Net Cash from Operating Activities	4,121,087	6,215,082
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(359,600)	(3,019,632)
Sales of Fixed Assets	625,000	205,000
Interest Received	-	-
Dividend Received	-	-
Net Cash used in Investing Activities	265,400	(2,814,632)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Proceeds from Borrowings	(2,136,123)	(662,000)
Interest Paid	(2,788,217)	(3,175,665)
Dividend & Corporate Tax Paid	-	-
Net Cash used in Financing Activities	(4,924,340)	(3,837,665)
Net changes in Cash and Cash Equivalents (A+B+C)	(537,853)	(437,215)
Cash & Cash equivalents as at (Opening Balance)	1,092,420	1,529,635
Cash & Cash equivalents as at (Closing Balance)	554,567	1,092,420

AUDITOR'S REPORT

We have examined the above Cash Flow Statement of PADMANABH ALLOYS AND POLYMERS LIMITED, for the year ended 31st March, 2017. The statement has been prepared by the Company in accordance with the requirements of SEBI (LODR) Regulations, 2015 as per Regulation 34 with BSE Ltd. and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 07.09.2017 to the members of the Company.

As per our Report of even date
For Nilkanth Desai & Associates
Chartered Accountants

N.P. DESAI
Proprietor

H. R. DESAI - Wholetime Director

V.D. VASHI - Wholetime Director

C.M. DESAI - Wholetime Director

MIHIR MEHTA - Chief Financial Officer

AKSHAY A. JAIN - Company Secretary

Place: Surat
Date: 07.09.2017

Place: Surat
Date: 07.09.2017

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended March 31st 2017			
Particulars	₹.	₹.	₹.
	31.03.2017		31.03.2016
Note 2.1 : Share Capital:			
a. Authorised :			
70,00,000 Equity Shares of Rs. 10/- each (Previous Year 70,00,000 Equity Shares of Rs 10 each)	70,000,000		70,000,000
Issued, Subscribed & Paid up :			
b. Issued Capital:			
60,00,000 Equity Shares of Rs. 10/- each	60,000,000		60,000,000
c. Subscribed Capital :			
59,99,700 Equity Shares of Rs. 10/- each	59,997,000		59,997,000
d. Paid up Capital:			
54,13,300 Equity Shares of Rs. 10/- each	54,133,000		54,133,000
Forfeited Shares Account (Amount originally paid upon 586400 shares @ Rs.5 per share)	2,932,000		2,932,000
	57,065,000		57,065,000
Details of shareholders holding more than 5% Shares			
Shcil - Shriram M.F. Tax Gur.95 (Mutual Funds)	5.53%	299,500	5.53% 299,500
The Recociliation Of the Number of Shares Outstanding is as Below			
Equity Shares at the beginning of the year		5,413,300	5,413,300
Add: Shares Issue during the years		-	
Less: Share bought back during the year		-	
Equity Shares at the closing of the year		5,413,300	5,413,300
Note 2.2 : Reserves & Surplus:			
Particulars	₹.	₹.	₹.
	31.03.2017		31.03.2016
Profit & loss a/c			
Balance B/f of Previous Year	2,216,802		(4,819,576)
Add: Profit of Current Year	7,164,269		7,531,913
Add/(Less) : Excess Provision written back	32,334	9,413,405	(495,535)
		9,413,405	2,216,802
		9,413,405	2,216,802

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended March 31st 2017			
Particulars	₹.	₹.	₹.
		31.03.2017	31.03.2016
Note 2.3 : Long Term Borrowings			
Unsecured			
Director's Relative	-	-	-
Loans From Directors	-	-	-
	-	-	-
Secured			
	-	-	-
Note 2.4 : Short Term Borrowings			
Cash Credit			
		26,142,184	28,678,307
		26,142,184	28,678,307
Note 2.5 : Trade Payables			
		36,471,563	29,645,402
		36,471,563	29,645,402
Note 2.6 : Other Current Liabilities			
		4,938,475	4,834,524
		4,938,475	4,834,524
Note 2.7 : Short Term Provisions			
		2,586,087	2,723,300
		2,586,087	2,723,300
Deferred Tax Asset (Net)			
		39,496	-
		39,496	-
Note 2.9 : Long Term Loans and Advances (Unsecured, considered good)			
Deposits			
Bank of Barod Udhana	50,000	50,000	-
Electricity Board	823,263	754,105	-
Telephone Dept.	48,764	48,764	852,869
		922,027	852,869
		922,027	852,869
Note 3.0 : Inventories			
Raw Material	21,487,318	18,101,748	-
Raw Material - Packing Material	265,086	173,286	-
Stores & Spares	20,270	22,570	-
Finished Goods	2,291,995	2,086,941	20,384,545
		24,064,669	20,384,545
(As taken, Valued & Certified by the Management of the Company)			
		24,064,669	20,384,545
Note 3.1 : Trade Receivables (Unsecured Considered Good)			
More than six months			
	5,203,668	7,019,635	-
Others	74,009,097	67,436,004	74,455,639
		79,212,765	74,455,639
		79,212,765	74,455,639

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended March 31st 2017			
Particulars	₹.	₹.	₹.
		31.03.2017	31.03.2016
Note 3.2 : Cash & Cash Equivalents			
Bank Balance :			
With Scheduled Bank	-	-	-
Cash Balance on Hand	554,567	554,567	1,092,420
(As Certified by the Management)			
		<u>554,567</u>	<u>1,092,420</u>
Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th, December, 2016 as provided in the Table below:-			
PARTICULARS	SBN'S	Other Denomination Notes	Total
Closing Cash in hand as on 08/11/2016	84,000	1,186,444	1,270,444
(+) Permitted Receipts	-	124,000	124,000
(-) Permitted Payments	-	214,981	214,981
(-) Amount Deposited in Banks	84,000	-	84,000
Closing Cash in hand as on 30/12/2016	-	1,095,463	1,095,463
Explanation: For the purpose of this clause, the Term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 E, dated 8th November, 2016.			
Note 3.3 : Short-term Loans and Advances			
(unsecured Considered Good)			
Loans & Advances		16,390,284	12,233,164
		<u>16,390,284</u>	<u>12,233,164</u>

PADMANABH ALLOYS & POLYMERS LIMITED F.Y. 2016-2017													
Notes to Financial Statements for the year ended March 31st 2017													
Note 2.8 : FIXED ASSETS													
No.	Rate	Gross Block				Depreciation				Net Block			
		₹.	₹.	₹.	₹.	₹.	₹.	₹.	₹.	₹.	₹.	₹.	₹.
		01.4.2016	Add Before 30.09.16	Add After 30.09.16	Adj. Plus/(Minus)	31.03.2017	Upto 31.03.2016	Current Year	Adj. Plus/(Minus)	Total 31.03.2017	31.03.2017	31.03.2017	31.03.2016
I													
Tangible Assets													
Land		1,991,625	-	-	-	1,991,625	-	-	-	-	1,991,625	-	1,991,625
Land	N.A.												
Building													
Factory Building	4.42%	11,174,709	-	-	-	11,174,709	6,549,024	204,455	-	6,753,479	4,421,230	6,753,479	4,625,685
Plant & Machinery													
Electrification	9.50%	5,737,146	-	-	-	5,737,146	4,321,832	134,455	-	4,456,287	1,280,859	4,456,287	1,415,314
Plant & Machinery	7.94%	27,958,609	-	-	4,760,152.00	23,198,457	20,493,400	214,782	(4,399,187)	16,308,995	6,889,462	16,308,995	7,465,209
Plant & Machinery - New	18.10%	-	111,800	185,700	-	297,500	-	37,042	-	37,042	260,458	-	-
Vertical	11.88%	735,740	-	-	-	735,740	507,080	271,165	-	534,245	201,495	534,245	228,660
Computer	43.57%	199,650	-	-	-	199,650	102,246	42,439	-	144,685	54,965	144,685	97,404
Computer - New	63.16%	-	-	62,100	-	62,100	-	19,611	-	19,611	42,489	-	-
Office Equipment	9.50%	1,827,762	-	-	-	1,827,762	1,638,158	18,012	-	1,656,170	171,592	1,656,170	189,604
Lab. Equipment	9.50%	2,538,986	-	-	-	2,538,986	2,407,790	12,464	-	2,420,254	118,732	2,420,254	131,196
Sub total (A)		52,164,228	111,800	247,800	4,760,152	47,763,675	36,019,530	710,425	(4,399,187)	32,330,768	15,432,907	32,330,768	16,144,698
Intangible Assets													
Sub total (B)													
Capital Work-in-Progress													
Sub total (C)													
Intangible Assets under development													
Sub total (D)													
Total (A)+(B)+(C)+(D)		52,164,228	111,800	247,800	4,760,152	47,763,675	36,019,530	710,425	(4,399,187)	32,330,768	15,432,907	32,330,768	16,144,698
Previous Year...		50,928,052	2,717,260	302,372	(205,000)	53,742,684	36,475,048	1,122,937	-	37,597,985	16,144,699	37,597,985	15,546,208

NOTE: DEPRECIATION HAS BEEN CALCULATED ON USEFUL LIFE OF FIXED ASSETS IN ACCORDANCE WITH PART 'C' OF SCHEDULE II OF THE COMPANIES ACT, 2013.

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended 31st March, 2017			
Particulars	₹.	₹.	₹.
Particulars	31.03.2017	31.03.2016	31.03.2016
Note 3.4 : Revenue from Operations			
Sale of Product	300,418,112	312,046,703	
Export Sales	711,058	605,496	
Less: Excise Duty	33,308,770	35,274,412	
	267,820,400	277,377,787	
Sale of Services	-	-	
Other Operating Revenue			
Job Work Income	1,695,560	2,716,900	280,094,687
	269,515,960	280,094,687	
Note 3.5 : Other Income			
Interest:			
Interest- GEB Deposit	76,842	76,945	
Others:			
Scrap Sales	-	210,850	
Vatav Kasar	-	12,885	
Profit on Sale of Machinery	264,035		
Sales Tax Refund	412,500	-	
Other Income	7,643		
Export Income	405	5,290	305,970
	761,425	305,970	
Note 3.6 : Consumption of Raw Material			
Opening Stock	18,101,748	13,284,356	
Add: Purchases	223,835,749	230,807,863	
Discount On Purchase	(198,509)	(2,367,201)	
Freight inward	1,670,707	2,123,680	
	-	-	243,848,698
	243,409,695	243,848,698	
Less:			
Purchase Return	-	-	
Closing Stock	21,487,318	18,101,748	18,101,748
Total.. (A)	221,922,377	225,746,950	
(II) Packing Material Consumed			
Opening Stock	173,286	210,182	
Packing Material Purchase	1,971,227	2,107,861	
Less: Closing Stock	265,086	173,286	2,144,757
Total.. (B)	1,879,427	2,144,757	
TOTAL.. = (A)+(B)	223,801,804	227,891,707	
Note 3.7 : Changes in Inventory			
Closing Stock of Finish Goods	2,291,995	2,086,941	
Less:-Opening Stock of Finish Goods	2,086,941	1,551,386	(535,555)
	(205,054)	(535,555)	
Note 3.8 : Manufacturing Expenses			
Consumption of Stores & Spares			
Opening Stock	22,570	35,960	
Purchase	245,139	868,899	
Less: Closing Stock	20,270	22,570	882,289
	247,439	882,289	
Add:			
Power and fuel	7,663,629	8,235,448	
	-	-	8,235,448
	7,663,629	8,235,448	
	7,911,068	9,117,737	

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended 31st March, 2017			
Particulars	₹.	₹.	₹.
	31.03.2017	31.03.2017	31.03.2016
Note 3.9 : Employee Benefit Expenses			
Salary	4,22,872		1,77,600
Workmen Wages	33,35,992		35,65,348
P.F. Expenses	4,11,935		3,46,905
E.S.I.C. Expenses	96,327		1,04,211
Gratuity Exp.	1,49,594		1,09,960
House Rent Allowance	8,40,496		6,39,144
Leave Encashment Exp.	1,02,750		94,570
Bonus Exp.	2,46,901		1,26,400
Staff Welfare Exp.	7,623		68,110
Salary to Chairman	6,00,000		5,26,800
Director's Remuneration	25,20,000		22,14,000
Director's Reimbursement	2,16,000	89,50,490	1,97,796
		89,50,490	81,70,844
Note 4.0 : Financial Costs			
Bank Charges	1,08,339		5,43,266
Interest - Bank Loan	26,69,878		25,32,403
Interest - Other	10,000		99,996
		27,88,217	31,75,665
Note 4.1 : Other Expenses			
Advertisement	68,342		26,578
Auditors Remuneration	60,000		50,000
Board Sitting Fees	17,000		20,000
Commission	2,03,083		13,10,285
Conveyance Expenses	5,43,614		4,79,663
Computer Expense	52,730		70,645
Donation	-		26,000
Expense - Export	10,778		-
Free Sample	6,029		6,756
Freight Outward	1,11,91,227		1,32,62,069
General Expenses	2,22,858		-
Gram Panchayat Vero	57,950		4,563
Income Tax	-		4,12,043
Insurance Expenses	1,59,898		1,27,192
Legal & Professional Fees	11,02,399		5,09,517
Material Testing Fees	37,924		-
Misc. Expenses	5,680		-
Repairing & Maintenance Expenses	2,44,808		2,64,496
Service Tax Expenses	4,08,734		-
Security Expenses	3,36,000		-
Stationery Expenses	65,740		49,162
Telephone Expenses	2,00,009		1,71,960
Travelling Expenses	92,443		98,600
Vat Reverse due to OGS sales	22,56,605		48,69,741
Vehicle Expenses	1,33,775		-
Vatav Kasar	41,036	1,75,18,662	4,138
		1,75,18,662	2,17,63,409
Note 4.2 : Earning per Share			
Basic		1.63	1.79
(For 5413300 Equity Shares)			
Diluted		1.63	1.79
(For 5413300 Equity Shares)			

PADMANABH ALLOYS & POLYMERS LIMITED		F.Y. 2016-2017	
Notes to Financial Statements for the year ended 31st March, 2017			
Particulars	₹.	₹.	₹.
	31.03.2017	31.03.2017	31.03.2016
Note 4.3 : Auditor's Remuneration			
Statutory Audit Fee	40,000		35,000
Tax Audit	20,000		15,000
Taxation Matters	-		-
Company Law Matters	-		-
Management Fees	-		-
Other Services	-		-
Reimbursement Of Expenses	-	60,000	50,000
Total	60,000		50,000
Note 4.4 : Director's Remuneration			
Bhikhubhai M. Desai (Salary to Chairman)	6,00,000		5,26,800
Vijay D. Vanshi	9,60,000		8,01,600
Chetan M. Desai	9,60,000		7,53,996
Hemal R. Desai	6,00,000		5,25,600
HRA to Directors / Chairman	3,12,000		-
Director Reimburshment	2,16,000	36,48,000	1,97,796
Total	36,48,000		28,05,792
Note 4.5 : Value of imports on CIF basis			
Raw Materials	-		-
Components and Spare Parts	-		-
Capital Goods	-		-
Total	-		-
Note 4.6 : Earnings in foreign exchange			
Export Of Goods Calculated On F.O.B Basis - Narrow Fabrics	-		-
Royalty, Know-how, Professional & Consultation Fees	-		-
Interest and Dividend	-		-
Other Income, indicating the nature thereof	-		-
Total	-		-
Note 4.7 : Expenditure in foreign currency			
Royalty	-		-
Know-how	-		-
Professional and cunsultation fees	-		-
Interest	-		-
Others	-		-
Total	-		-
Note 4.8 : Dividend remitted in foreign currency			
Amount of Dividend	-		-
Total no of Non Resident shareholders	-		-
Total no of shares held by Non Resident shareholders	-		-
Year to which Dividend relates	-		-
		-	-

Note 4.9 : Value of Imported and Indegenous Raw materials, Spare parts and Materials consumed			
Particulars	%		%
(i) Raw Material			
Indegenous		-	-
Imported		-	-
(ii) Spare Parts			
Indegenous		-	-
Imported		-	-
(iii) Components			
Indegenous		-	-
Imported		-	-
		-	-

Note 5.0 : The company has not received balance confirmation at the end of Balance Sheet date from certain sundry Creditors and Sundry debtors.

Note 5.1 : In the opinion of Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of the business equal to the amount at which they are stated in the Balance Sheet.

Note 5.2 : The firm has not received any intimation form its vendors regarding their status undr the Micro Small and Medium Ent. Development Act, 2006 and hence disclosure if any, required by the said Act have not been made.

Note 5.3 : Previous years figures are regrouped or rearranged wherever applicable.

PADMANABH ALLOYS AND POLYMERS LIMITED**CIN: L17110GJ1994PLC023540**

N.H. NO.8, VILLAGE PALSANA, SURAT – 394315, GUJARAT, INDIA.

Note – 5.4**NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH,
2017 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE:****1. SIGNIFICANT ACCOUNTING POLICIES:**

- a. BASIS OF ACCOUNTING (AS 1): The financial statements are prepared under historical cost convention and accrual system of accounting in accordance with the requirement of the companies act, 1956, however
- i. Sales rejections are accounted on actual receipt of rejected goods.
 - ii. Price differences are accounted on actual settlement with the parties.
 - iii. Export Incentives, Insurance and other claims are accounted on cash basis.
- b. FIXED ASSETS (AS 10)
- i. All fixed assets are shown at cost net of Cenvat less accumulated depreciation. Cost comprises of purchase price and all other cost attributable to bringing the asset to its working condition for its intended use.
- c. DEPRECIATION (AS 6): Depreciation is provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except assets costing Rs. 5000/- or less are fully depreciated in the year of purchase.
- d. INVESTMENTS (AS 13): There are No Investments.
- e. INVENTORIES (AS 2):
- | | | |
|---------------------------------|---|----------------------------------|
| - Raw Material & other material | - | at Cost |
| - Semi Finished Goods | - | at Cost |
| - Finished Goods | - | at Lower of Cost or Market Value |

The cost for the purpose of valuation of finished goods & semi finished goods includes material cost and direct conversion cost and overheads incurred for bringing goods to their present location and condition as well as excise duty wherever applicable.

- f. FOREIGN CURRENCY TRANSACTIONS (AS 11): Foreign currency transactions are accounted at the rate of exchange in force at the time transactions are affected.

- g. RETIREMENT BENEFITS (AS 15): Provision for gratuity has been made in the accounts, only in case of those employees who have become eligible for the retirement benefits. Leave encashment, LTA, Medical Assistance are accounted as and when paid. The Company is a member of recognized Provident Fund scheme established by the regional Government of Gujarat. The Company is contributing 12% of Salary & Wages of eligible employees under the scheme every month. The amount of contribution is being deposited each and every month well within the time under the rules of EPF Scheme.
- h. CENVAT CREDIT: Cenvat credit available is accounted by recording materials purchase at net of excise duty. Cenvat credit availed is accounted by way of adjustment against Excise duty payable on dispatch of finished goods.
- i. SALES: Sales of goods is recognized at the point of dispatch to the customer. Sales include excise duty but exclude sales tax.
- j. IMPAIRMENT OF FIXED ASSETS: Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.
- Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.
- k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS
- Provisions:- Provision is recognized when
- The Company has a present obligation as a result of past event;
 - It is probable that an outflow of resources embodying economic benefit is expected to settle the obligation,
 - A reliable estimate can be made for the amount of obligation.
- Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date.
- Contingent liability:- Contingent Liability is disclosed in the case of
- As present obligation arising from a past event, when it is not probable that an outflow of resources will

be required to settle the obligation.

- ii. A possible obligation unless the probability of outflow of resources is remote.

Contingent assets:- Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

2. CONTINGENT LIABILITIES:

Particulars	[Rs. In Lacs]	
	As at 31/03/2017	As at 31/03/2016
Contingent liabilities	-	-
Sales Bills Discounted and remaining unpaid	NIL	NIL
3. Provision for taxation has been made	16,77,000	21,62,000
4. The Company has during the year adopted Accounting Standard (A S-22) "Accounting for taxes on income" issued by the Institute of Chartered Accountant of India, However in view of losses in the past, no deferred tax liability or assets has been created.	NIL	NIL

5. EARNINGS PER SHARE:

a. Profit / (Loss) after taxation as per profit and loss account	71,64,269	75,31,914
b. Weighted average number of equity shares outstanding	54,13,300	54,13,300
c. Basic and diluted earnings per shares in rupees (Face value – Rs.10 per share)	1.63	1.79
6. There was no impairment loss on Fixed Assets on the basis of review carried out by the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.		

7. SEGMENT REPORTING: The Company operates in a single segment – Polymer Masterbatch and Compound Products.

8. RELATED PARTY DISCLOSURES: Related Party Disclosures as required by AS – 18 are given below:

Following Transactions were carried out with related parties in the ordinary course of business:

Sr. No.	Name of the Party	Nature of Transaction	As on 31/03/2017	As on 31/03/2016
1.	Kreta Vashi	Salary	4,80,000/-	4,20,000/-
2.	B. M. Desai	Salary to Chairman	6,00,000/-	5,26,800/-
3.	V. D. Vashi	Director's Remuneration	9,60,000/-	8,01,600/-
4.	C. M. Desai	Director's Remuneration	9,60,000/-	7,53,996/-
5.	H. R. Desai	Director's Remuneration	6,00,000/-	5,25,600/-
6.	B. M. Desai	Reimbursement	36,000/-	1,97,796/-
7.	V. D. Vashi	Reimbursement	72,000/-	
8.	C. M. Desai	Reimbursement	72,000/-	
9.	H. R. Desai	Reimbursement	36,000/-	
10.	B. M. Desai	HRA	60,000/-	--
11.	V. D. Vashi	HRA	96,000/-	--
12.	C. M. Desai	HRA	96,000/-	--
13.	H. R. Desai	HRA	60,000/-	--
14.	N.A. Desai	Board Sitting Fees	3,000/-	5,000/-
15.	D. K. Desai	Board Sitting Fees	4,000/-	5,000/-
16.	Hiler K. Desai	Board Sitting Fees	4,000/-	5,000/-
17.	Pravin G. Desai	Board Sitting Fees	4,000/-	5,000/-
18.	Varshaben D. Desai	Board Sitting Fees	2,000/-	Nil
19.	Chetan M. Desai	O/s Liability Payable	29,000/-	29,000/-

9. AUDITORS REMUNERATION: Auditor's Remuneration includes:

Particulars	As on 31/03/2017	As on 31/03/2016
Audit Fees / Taxation Matters	40,000/-	35,000/-
Tax Audit Fees / Other Services	20,000/-	15,000/-

10. Previous Year figures have been regrouped / rearranged wherever necessary, so as to make them comparable with current year's figure.

11. Letters of confirmation have been sent to various parties of Sundry Debtors, Loans, Advances and Deposits, due adjustment if any will be made on receipt thereof.

12. The Sundry Creditors includes (Amount due to Small Scale Units) Small Scale Units over Rs.1 Lacs and outstanding for more than 30 days (as per information available)	-	-
13. DIRECTORS REMUNERATION:		
Salaries and Allowances	36,48,000	28,05,792
Commission	Nil	Nil
Sitting Fees	17,000	20,000
14. a) Debt due from a company in which any Director is a Director	Nil	Nil
b) Debt due from Directors (Maximum amount due during the period Rs. Nil)	Nil	Nil

The Company has during the year adopted Notes 1 to 14 referred to above form as integral part of the Balance Sheet

In terms of our attached report of even date
For NILKANTH DESAI AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 107086W

For PADMANABH ALLOYS AND POLYMERS LIMITED

NILKANTH PARAGJI DESAI

(PROPRIETOR)
M. NO. : 035862

Date: 07/09/2017
Place: Surat.

<u>CHETAN M. DESAI</u> (WHOLETIME DIRECTOR) (DIN : 00051541)	<u>VIJAYBHAI D. VASHI</u> (WHOLETIME DIRECTOR) (DIN : 00051567)	<u>HEMALKUMAR R. DESAI</u> (WHOLETIME DIRECTOR) (DIN : 01766174)
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MIHIR M. MEHTA
CHIEF
FINANCIAL
OFFICER

AKSHAY A. JAIN
COMPANY
SECRETARY



PADMANABH ALLOYS & POLYMERS LTD.

Registered Office : N.H.8, Palsana, Dt. Surat 394315

Tele.: 02622 264455 Fax.02622 264555

Email: investor@padmanabh.in Website: www.padmanabh.in

Corporate Identity Number: L17110GJ1994PLC023540

ATTENDANCE SLIP

**To be handed over at the entrance of the Meeting Hall of
Annual General Meeting**

Folio No./ DP ID/Client ID No. : _____
Number of shares held: _____
Name of the attending
Member/Proxy: _____

I hereby record my presence at the Annual General Meeting of **Padmanabh Alloys & Polymers Limited** held on Saturday, 30th September, 2017 at 11.30 a.m. at N.H.8, Village-Palsana Tal -Palsana, Dist- Surat 394315.

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)



PADMANABH ALLOYS & POLYMERS LTD.

Registered Office : N.H.8, Palsana, Dt. Surat 394315
Tele.: 02622 264455 Fax.02622 264555
Email: investor@padmanabh.in Website: www.padmanabh.in
Corporate Identity Number: L17110GJ1994PLC023540

Form No. MGT-11

Proxy form

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

CIN : **L17110GJ1994PLC023540**
Name of the company: **Padmanabh Alloys & Polymers Limited**
Registered office: **N.H.8, Village-Palsana Tal-Palsana, Dist- Surat 394315**
Name of the Member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID

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

1. Name :
Address :
E-mail Id :
Signature Or failing him
2. Name :
Address :
E-mail Id :
Signature Or failing him
3. Name :
Address :
E-mail Id :
Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Saturday, 30th day of September, 2017 at 11.30 a.m. at N.H.8, Village -Palsana Tal -Palsana, Dist- Surat 394315 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
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Ordinary Business:-

- 1 Adoption of Audited Financial Statement
- 2 Re-appointment of Shri Hemalkumar Rajeshkumar Desai as director
- 3 Appointment of Statutory Auditors of the company

Special Business:-

- 4 Re-appointment of Shri Bhikhubhai Mohanbhai Desai as Whole-time Director

Signed this.....day of.....2017

Signature of Shareholder

Affix Revenue

Signature of Proxy holder(s)

Stamp

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

**PADMANABH ALLOYS & POLYMERS LTD.**

Registered Office : N.H.8, Palsana, Dt. Surat 394315

Tele.: 02622 264455 Fax.02622 264555

Email: investor@padmanabh.in Website: www.padmanabh.in

Corporate Identity Number: L17110GJ1994PLC023540

BALLOT / POLL FORM

(The members who are not able to attend the Annual General Meeting can send their assent or dissent in writing in respect of the resolutions as set out in the Notice by sending the duly filled and signed Ballot / Poll Form to Mr. Kunjal Dalal, proprietor K. Dalal & Co., Practicing company secretaries, (the Scrutinizer) C/o Padmanabh Alloys & Polymers Limited: N.H.8, Village-Palsana Tal -Palsana, Dist- Surat 394315 so as to reach him on or before Friday, 29th September, 2017)

Name

Address

DP Id*

Client Id*

Folio No.

No. of shares held

*Applicable for investors holding shares in electronic form

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / special Resolution(s) as specified in the notice of Padmanabh Alloys & Polymers Limited dated 07/09/2017 to be passed through Ballot / Poll for the businesses stated in the said Notice by conveying my/Our assent or dissent to the said Resolution in the relevant box below:

Sr. No.	Resolution	Type of Resolution (Ordinary /Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
Ordinary Business				
1	Adoption of Audited Financial Statement	Ordinary		
2	Re-appointment of Shri Hemalkumar Rajeshkumar Desai as director	Ordinary		
3	Appointment of Statutory Auditors of the company	Ordinary		
Special Business				
4	Re-appointment of Shri Bhikhubhai Mohanbhai Desai as Whole-time Director	Ordinary		

Place:**Date:**

Signature of Member / Beneficial Owner

