

CNPCL/SE/2019/09/02

Date: 4th September, 2019

To,
BSE Limited
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Maharashtra
Ref: Security Code: 533407

To,
The Manager,
National Stock Exchange India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400051
Maharashtra
Ref. : Symbol: CNOVAPETRO

Sub.: Annual Report for the year 2018-19.

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find the enclosed copy of Annual Report of the Company for the financial year 2018-19 along with the notice of 15th Annual General Meeting of the Company scheduled to be held on Friday, 27th September, 2019 at Survey No 396 P 395 4 P Moraiya Village Sarkhej Bavla Highway Tal Sanand Ahmedabad.

This is for your information and records.

Thanking You,

For, CIL Nova Petrochemicals Limited


Harsh Hirpara
Company Secretary



**15TH
ANNUAL REPORT
2018-2019**



Company Information

BOARD OF DIRECTORS

1. Mr. Jyotiprasad Chiripal
2. Mr. Ambalal Patel (upto 30th March, 2019)
3. Mr. Murlimanohar Goyal
4. Ms. Chinar Jethwani
5. Mr. Pooransingh Mathuria

CHIEF EXECUTIVE OFFICER

Mr. Pradip Khandelwal

CHIEF FINANCIAL OFFICER

Mr. Satish Bhatt

COMPANY SECRETARY

Mr. Harsh Hirpara

BANKERS

1. State Bank of India
2. Bank of Baroda

REGISTERED OFFICE & PLANT

Survey No. 396(P), 395/4(P),
Moraiya Village, Sarkhej-Bavla Highway,
Tal. Sanand, Ahmedabad-382210.
Phone : +91-9825800060
Fax : +91-2717-250556,251612
Email : investorgrievances.cilnova@chiripalgroup.com
Website: www.cnpcl.com

CORPORATE IDENTIFICATION NUMBER

L17111GJ2003PLC043354

CORPORATE OFFICE

"Chiripal House", Shivranjani Cross Roads,
Satellite, Ahmedabad - 380015.
Tel : 91-079-26734660-2-3
Fax : 91-079-26768656

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited

5th floor, 506 to 508, Amarnath Business Centre - I (ABC - I),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner Off C. G. Road,
Navarangpura, Ahmedabad - 380009
Tel No : 079-26465179
Fax No : 079-26465179
Email : ahmedabad@linkintime.co.in

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Ambalal Patel	Chairman (upto 30th March, 2019)
Mr. Murlimanohar Goyal	Member
Mr. Jyotiprasad Chiripal	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Murlimanohar Goyal	Chairman
Mr. Ambalal Patel	Member (upto 30th March, 2019)
Mr. Jyotiprasad Chiripal	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Ambalal Patel	Chairman (upto 30th March, 2019)
Mr. Murlimanohar Goyal	Member
Mr. Jyotiprasad Chiripal	Member

CSR COMMITTEE

Mr. Ambalal Patel	Member (upto 30th March, 2019)
Mr. Jyotiprasad Chiripal	Member
Ms. Chinar Jethwani	Member

AUDITORS

M/S SAMIR M SHAH & ASSOCIATES

Chartered Accountants
B-516, Gopal Palace, Nr. Shiromani Flats,
Opp. Ocean Park, Satellite Road,
Ambawadi, Ahmedabad - 380015

SECRETARIAL AUDITOR

Jatin Kapadia
307, Abhjyot Square, B/h. Divyabhaskar,
S.G. Highway, Ahmedabad - 380 051

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that **15th (Fifteenth) Annual General Meeting** (AGM/Meeting) of CIL Nova Petrochemicals Limited will be held on **27th September, 2019 at 10:30 A.M.** at the registered office of the Company situated at Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal.: Sanand, Ahmedabad - 382201, Gujarat, India to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Pooransingh Mahturia (DIN: 07430356) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Samir M. Shah & Associates, Chartered Accountants, Ahmedabad (Firm Reg. No. 122377W) as approved by Members at the 13th Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of 18th Annual General Meeting, and to fix their remuneration for the financial year ending 31st March, 2020 and to pass, with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to provisions of section 139, 142 of the Companies Act 2013 and all other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force) the appointment of M/s. Samir M. Shah & Associates, Chartered Accountants, Ahmedabad (Firm Reg. No. 122377W) be and is hereby ratified to hold the office as auditors till the conclusion of 18th Annual General Meeting with such remuneration as may be mutually decided between board of directors and auditors.”

SPECIAL BUSINESS:

4. To Consider and if thought fit to pass with or without modification(s) or re-enactment(s) the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 if any, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Consent of the Company be and is hereby accorded to the remuneration payable to M/s. A. G. Tulsian & Co., Cost Accountants (Firm Registration No. 100629) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 as set out in the Statement annexed to the Notice convening this Annual General Meeting.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to the aforesaid resolution.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188, all other applicable provisions of the Companies Act, 2013, read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the consent of the Company be and is hereby accorded to the Company to carry out transactions with related parties and for the maximum amounts as mentioned herein below for the year 2019-2020.

Sr. No.	Nature of the transactions as per section 188 of the Companies Act, 2013.	Name of the Director/KMP who is related and nature of their relationship	Name of the related party	Receipts (Rs. in Crore)	Payment (Rs. in Crore)
1.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Chiripal Polyfilm Limited	250.00	250.00
2.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Chiripal Industries Limited	250.00	250.00
3.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Nandan Denims Limited	50.00	50.00

RESOLVED FURTHER THAT the transactions may be entered into subject to the compliance of criteria mentioned under Companies Act, 2013 and rules made there under, SEBI (LODR) Regulations, 2015 as amended from time to time and in compliance with all other applicable provisions thereto.

RESOLVED FURTHER THAT any Director(s), be and is/are hereby, authorized to do all such acts, deeds, things incidental thereto and sign/execute such agreements, documents and papers to give effect to the above mentioned resolution.

By Order of the Board
For, CIL Nova Petrochemicals Limited

Sd/-

Harsh R. Hirpara
Company Secretary

Place : Ahmedabad
Date : 13th August, 2019

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to provision of Section 105 of Companies Act, 2013 a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument 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.
2. Corporate Members intending to send their authorized representatives to attend the 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 specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
3. **The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business setting out material facts is annexed hereto.**
4. Information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure to the explanatory statement attached to this Notice.
5. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the Rule 11 of the Companies (Accounts) Rules, 2014 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose.

In view of the above, the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner:

The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. To enable the Company to use the same for serving documents to them electronically Shareholders holding shares in physical form may provide their e-mail address by sending an e-mail at investorgrievances.cilnova@chiripalgroup.com along with their Full Name and Folio Number.

Electronic copy of the Annual Report including Notice of the 15th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company or RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company would also be made available on the Company's website <http://cnpcl.com/annual-reports/>.

6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from **25th September, 2019 to 27th September, 2019 (both days inclusive)** in connection with the Meeting.
7. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Link Intime India Private Limited.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. **MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.** Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
11. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.

12. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
13. Route-map to the venue of the Meeting is provided at the end of this Notice.
14. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m., on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
16. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
17. **Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.**
18. **Voting through Electronic means** In compliance with Section 108 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and SEBI (LODR) Regulations, 2015, the Company is pleased to provide its Shareholders with the facility of "remote e-voting" (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the business at the 15th AGM may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically. The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.

The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Jatin Kapadia, Practicing Company Secretaries, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL and shall be communicated to the Stock Exchanges.
19. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **20th September, 2019 as the "cut-off date"** to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.

THE INSTRUCTIONS TO SHAREHOLDERS OF THE COMPANY FOR E-VOTING ARE AS FOLLOWS:

- (i) The Remote E-voting period begins on **24th September, 2019** at 9.00 a.m. and ends on **26th September, 2019** at 5.00 p.m. During this period the eligible shareholders of the Company, holding shares either in physical form or in Demat form, 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
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - 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 first two letters of their name and the 8 digits of the Sequence Number in the PAN field. The Sequence Number is printed on Annual Report.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in DD/MM/YYYY format.
Dividend Bank Details	Enter the Dividend Bank Details (Account Number) as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB in order to login. If the details are not recorded with the depository or Company pleas enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 7.

(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 "CIL Nova Petrochemicals 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 resolutions 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 or cast your vote again.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the 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) Members 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 and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) Those persons, who have acquired shares and have become Members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. **20th September, 2019** shall view the Notice of the 15th AGM on the Company's website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.

(xxi) 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.

	Contact Details
Company	CIL Nova Petrochemicals Limited CIN : L17111GJ2003PLC043354 Survey No. 396(P), 395/4(P) Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382210. E-mail : investorgrievances.cilnova@chiripalgroup.com website : www.cncpl.com Phone : +91-9825800060, Fax : +91-250556, 251612
Registrar and Transfer Agent	Link Intime India Private Limited 5 th floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Navarangpura, Ahmedabad -380009 E-mail : ahmedabad@linkintime.co.in website : www.linkintime.co.in Phone : 079-26465179, Fax : 079-26465179
E-voting Agency	Name: Mr. Rakesh Dalvi Designation: Manager Address: 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013. Email id: helpdesk.evoting@cdslindia.com Telephone No.: 18002005533
Scrutinizer	CS Jatin Kapadia E-mail : csjatin@hotmail.com

By Order of the Board
For, CIL Nova Petrochemicals Limited

Place : Ahmedabad
 Date : 13th August, 2019

Sd/-
Harsh R. Hirpara
 Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

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

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. A.G. Tulsian & Co., Cost Accountants as a cost auditor of the Company to conduct the audit of the cost records of the company for the financial year ending 31st March, 2019, for a remuneration of Rs. 25,000/- (Rupees Twenty Five only) plus tax at applicable rate and out-of-pocket expenses incurred by them for conducting the audit of cost accounts of the company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2019. The Board recommends the resolution at Item No. 4 for your ratification.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 4.

Item No. 5

As per the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter "Listing Regulations") except with the approval of the Shareholders by way of resolution, a company shall not enter into any transactions with any Related Party for availing or rendering of any service exceeding 10% of the consolidated turnover of the company or Rs. 100.00 Crores, whichever is lower.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, the and Listing Regulations, requires that for entering into any contract or arrangement with the related party, the Company must obtain the prior approval of the Audit Committee and the Board of Directors and, if required, prior approval of the shareholders by way of an Ordinary Resolution must be obtained for material transactions.

There is no exemption thereunder even if such transaction is in the ordinary course of business of the entity and on arm's length basis. A transaction with a related party shall be considered material if the transaction / transactions in a contract to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution. The amount involved in the related party transactions entered into by the Company are within the limits prescribed and the condition specified by the Act and the Listing Regulations in addition to being in the ordinary course of business and at arms' length, but as a good corporate governance practice, the Company desires to pass an Special Resolution for the same. Therefore, approval for the below mentioned transactions is being taken:

1. Sale, purchase or supply of any goods or materials or stock-in-trade;
2. Selling or otherwise disposing of or buying, property of any kind or any capital asset;
3. Giving on rent or leasing of property of any kind;
4. Availing or rendering of any services including job work.

The support and services extended by the Company to its Group Companies in relation to business enhancement and for building up robust practices and processes are towards the benefit of all the Companies. The respective transactions have been carried out on arm's length basis and all factors relevant to the respective transactions have been considered by the Board.

By Order of the Board
For, CIL Nova Petrochemicals Limited

Sd/-
Harsh R. Hirpara
Company Secretary

Place : Ahmedabad
Date : 13th August, 2019

ANNEXURE TO THE EXPLANATORY STATEMENT

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

1. **Mr. Pooransingh Mathuria (DIN: 07430356) – Whole Time Director**

Mr. Pooransingh Mathuria is technically competent electrical and electronics engineer with professional experience of nearly 27 years in steering plant engineering, maintenance and energy management domains with prestigious industrial establishments is serving as Additional Director of the Company and was designated as Whole-time Director. He has done B.SC and Diploma in Industrial Electronics and Electrical Engineering. He has served various companies including Welspun syntax Ltd. and J. K. Synthetic Ltd. by playing different roles during his tenure and has vast experience in erection and commissioning, operation and maintenance, mobilizing and managing machines, cost reduction and value engineering.

Below mentioned is the List of Other Listed Companies in which Mr. Pooransingh Mathuria is Director and Chairman/Member in Board Committees of Other Limited Companies;

Sr. No.	Name of Listed Company	Chairmanship / Membership of Committees of the Board of other Companies
1.	CIL Nova Petrochemicals Limited	Whole Time Director

Shareholding – **NIL**

None of Directors of the Company is related to Mr. Pooransingh Mathuria

DIRECTORS REPORT

To,
The Members,

Your Directors take pleasure in presenting the **15TH (Fifteenth) Annual Report** on the business and operations of your Company along with Audited Financial Statements for the Financial Year ended 31st March, 2019.

1. FINANCIAL SUMMARY/HIGHLIGHTS OF PERFORMANCE OF THE COMPANY:

Financial Results ₹ in Lakhs		
Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Sales/Income from operations	24896.81	25053.23
Other Income	217.24	213.17
Total Income	25114.05	25284.40
Total Expense	25238.73	24605.25
Depreciation	465.20	515.46
Profit Before Tax	(124.67)	163.68
Tax/Short/ (Excess) Provision of Income Tax	1.80	35.91
Profit After Tax	(126.47)	127.76

2. PERFORMANCE HIGHLIGHTS:

The total revenue during the year under review was Rs. 24896.81 Lakhs as against Rs. 25053.23 Lakhs in the previous year showing a decrease of 0.62%. However productivity was increased in comparison to previous year production. The Management of the Company is taking efforts for the progress of the Company. The performance of the Company is gradually improving with transient time. The improvement is evident from the financial statement of the Company.

3. DIVIDEND:

Due to loss during the year, the Company is not able to declare Dividend.

4. RESERVES:

Your Company does not propose to transfer any amount from the current year's profits to the General Reserve. (Previous year Nil)

5. SHARE CAPITAL:

During the year under review, the Company had Authorized Capital of Rs. 32,50,00,000 comprising of 2,75,00,000 Equity Shares of Rs.10/- Each and 5,00,000 Preference Shares of Rs.100/- Each. Paid-Up Equity Share Capital of the Company as on date of this report stands at Rs. 27,10,00,000 comprising of 2,71,00,000 Equity Shares of Rs. 10/- Each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. FUTURE OUTLOOK:

Polyester filament Yarn Market scenario

In India consumption is increasing year on year basis. Consumption of Polyester fiber is gaining momentum due to factors like fluctuation of Cotton prices, increased presence & sourcing by global brands where polyester fiber dominates, growth of women's wear segment, growth of value retail etc.

Outlook for polyester as calculated by experts shows that consumption of polyester yarn will be double to that of cotton by 2020-22. The Untapped opportunity remains in Man Made Fiber (MMF) based product categories, which can give an exponential growth to India's export of textile and apparel. Consumption of MMF based products will increase in domestic Market in following

Segment:

- a. Women's western wear & lingerie-Increasing women participation in work force;
- b. Active wear-India's large young population base with increasing awareness towards fitness;
- c. Mobiltech products-India's emergences as global automobile manufacturing hub;
- d. Work wear/Uniform-Increasing no. of school going children & consciousness of corporate towards their image;
- e. Hygiene products-Awareness of Indian women for hygiene will cause increasing uses of hygiene products

To reap maximum benefits of the future scenario, India needs focus on manufacturing of MMF based products. A drastic change is expected in the consumption of polyester yarn, share of which is projected to grow to 53% by 2020-22.

Future course of action:

Looking the scenario of polyester yarn we need to upgrade by innovation, increase the volume, integration, R&D and branding. Future demand is very promising.

8. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.:

In accordance with the provisions of Section 134 (3) (m) the Companies Act, 2013 read with Rule 8 (3) Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in **ANNEXURE – I** and forms part of this report.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which can affect the financial position of the Company.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report of the Company for the year under review is presented in a separate section forming part of the Annual Report.

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

No such Orders have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company had no Subsidiary or Joint Ventures or Associate Companies as on 31st March, 2018.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

14. EXTRACTS OF ANNUAL RETURN:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended to this Report as **ANNEXURE-II**.

15. RELATED PARTY TRANSACTIONS:

All transactions entered into with the Related Parties in terms of Section 2(76) and Section 188 of the Companies Act, 2013 read with Regulation 2(zc) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no Material Related Party Transactions during the year.

The Board has formulated Policy on Related Party Transactions, detailed policy is also available at <http://cnpcl.com/corporate-policies/>

16. KEY MANAGERIAL PERSONNEL:

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Pooransingh Mathuria, Whole-time Director, Mr. Pradip Khandelwal, Chief Executive Officer, Mr. Satish Bhatt, Chief Financial Officer and Mr. Harsh Hirpara, Company Secretary were the Key Managerial Personnel of the Company for the year ended 31st March, 2019.

17. DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Pooransingh Mathuria (DIN: 07430356) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

During the year under the review Mr. Ambalal Patel (DIN: 00037870) had tendered his resignation on 30th March, 2019.

None of the Directors is disqualified for appointment/reappointment under Section 164 of the Companies Act, 2013, as required by law this position is also reflected in the Auditors' Report.

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149(6) of the Companies Act, 2013.

The composition of the Board, meetings of the Board held during the year and the attendance of the Directors thereat have been mentioned in the Report on Corporate Governance in the Annual Report.

18. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

The evaluation of Chairman, all the Directors and the Board and Committees thereof as a whole was conducted based on the criteria and frame work adopted by the Board. The evaluation process has been explained in the Report on Corporate Governance in this Annual Report. The Board noted the evaluation results that were collated and presented to the Board.

19. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report. Further the said policy is also available at <http://cnpcl.com/corporate-policies/>

20. PARTICULARS REGARDING EMPLOYEES REMUNERATION:

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure – IV**.

21. COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and Listing Regulations, the Company has following Committees in place:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Details of the said Committees along with their charters, composition and meetings held during the financial year, are provided in the "Report on Corporate Governance", as a part of this Annual Report. Details of committee is also available at <http://cnpcl.com/>

22. CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES:

The Company has implemented Corporate Social Responsibility Policy and initiatives as the provisions of Section 135 of the Act and Rules made thereunder governing Corporate Social Responsibility and the same is available at <http://cnpcl.com/> and details are also available in Corporate Governance Report forming part of the Annual Report.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are made and the same is enclosed as **Annexure- V**.

23. STATUTORY AUDITORS:

M/s. Samir M. Shah & Associates, Chartered Accountants (FRN 122377W) were appointed as Statutory Auditors of your Company at the Previous Annual General Meeting held on 23rd September, 2017 till the conclusion of ensuing Annual General Meeting.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

24. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed Mr. Jatin Kapadia, Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2018-19.

The Secretarial Audit Report for financial year 2018-19 issued by Mr. Jatin Kapadia, Practicing Company Secretaries has been appended as **Annexure - VI** to this report. There were no qualifications or adverse remarks in their Report.

25. COST AUDITORS:

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time the Board of Directors of the Company on recommendation of Audit Committee has appointed M/s. A.G. Tulsian &, Cost Accountants, as Cost Auditor of the Company to conduct audit of Cost Accounts of the Company for the Financial Year 2018-19. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

26. SEXUAL HARRASMENT POLICY:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2018-19, no sexual harassment complaints has been registered with the Company

27. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM:

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. Further, Company had formulated Risk Management Committee also, however later on it was dissolved as separate Committee for the same was not required considering the size of your Company So, Audit Committee looks for the Risk Management after dissolution of Risk Management Committee.

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. Jhaveri Shah and Co., Chartered Accountants as an Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

28. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy to report genuine concerns and grievances. Details Whistle Blower Policy has been mentioned in the Report of Corporate Governance, the same is available at <http://cnpl.com/corporate-policies/>

29. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the Directors have 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 at the end of the financial year and of the profit 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 Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. CORPORATE GOVERNANCE:

As required by Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is given as a part of the Annual Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Secretarial Auditors' Certificate of the compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

31. GENERAL SHAREHOLDER INFORMATION:

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

32. ACKNOWLEDGEMENTS:

Your Directors wish to express their grateful appreciation for the co-operation and support received from Government, Customers, Shareholders, Financial institutions, Banks, and the Society at large. Deep appreciation is also recorded for the dedicated efforts and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

For and on behalf of the Board

Sd/-

Pooransingh Mathuria

Whole Time Director

DIN: 07430356

Place : Ahmedabad

Date : 13th August, 2019

Annexure – I

Conservation Of Energy/Absorption And Foreign Exchange Earnings And Outgo:

A. CONSERVATION OF ENERGY:

- i. **The Steps taken or impact on conservation of energy:** Company has started using fuel efficient Coal instead of Lignite and Local Coal and this will in-turn reduce the fuel and maintenance cost of the Company.
- ii. **The Steps taken by the Company for utilizing alternate sources of energy:**
 - Company is now using fuel efficient Coal instead of Lignite and local fuel by which fuel as well as power consumption of the company is reduced.
- iii. **The Capital investment on energy conservation equipment:** Separate Shed has been established for storing the fuel efficient Coal by this Coal will remain dry during the rain and will be protected from moist and so, efficiency of the Plant and Machinery will be maintained.

B. TECHNOLOGY ABSORPTION:

- i. **The efforts made towards technology absorption:**

Company has started to use fuel efficient Coal, this will directly have positive effect on durability of Boiler and Coal Plant so, deterioration of the same will be reduced.

Further, Company has done capital expenditure in Machinery and Company is planning for standby equipment in utility and power generation.
- ii. **Benefits derived like Product Improvement, Cost Reduction, Product Development or import Substitution:**
 - As company is using fuel efficient Coal so, overall Cost of Production will be reduced.
 - Company has developed unique products like POY Danniers 32/14, 25*14 and 22/14 during the year. Further these products are rarely produced in India and response from the market is overwhelming so, your Company is planning accordingly.
 - Company during the year established Paper Tube Plant for captive use of the same and for selling it to the outside parties and this will lead to;
 - a) Consistency in Quality of Packing Material;
 - b) Revenue will be increased and
 - c) Cost of Production will be decreased and this will lead to increase in profit margins of the Company.
- iii. **In case of Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year) – Not Applicable**
- iv. **The expenditure incurred in Research and Development:** Company has done expenditure in testing equipment in order to have check in quality of the product and maintain the same.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Details of foreign exchange earnings and outgo are given in the notes to the Financial Statements.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L17111GJ2003PLC043354
2.	Registration Date	17 th December, 2003
3.	Name of the Company	CIL Nova Petrochemicals Limited
4.	Category/Sub-category of the Company	Company limited by shares and Indian Non-Government Company
5.	Address of the Registered office & contact details	Survey No. 396(P), 395/4(P), Moraiya Village, Sarkhej- Bavla Highway, Tal. Sanand, Ahmedabad – 382210. Tel :- 91-9825800060 Fax:- 91-2717-250556,251612 Email: investorgrievances.cilnova@chiripalgroup.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited 5 th floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C. G. Road, Navarangpura, Ahmedabad - 380009 Tel No :- 079-26465179 Fax No :- 079-26465179

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	NIC Code of the Product/service	Percentage to total turnover of the company
1	Preparation and Spinning of Man-made fiber including blended man-made fibers and others	13114	93.52

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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
NA			

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):
A) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year as on 1 st April, 2018				No. of Shares held at the end of the year as on 31 st March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	54,76,418	--	54,76,418	20.21	54,76,418	--	54,76,418	20.21	--
b. Central Government	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year as on 1 st April, 2018				No. of Shares held at the end of the year as on 31 st March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c. State Government	--	--	--	--	--	--	--	--	--
d. Bodies Corporate	1,27,08,405	--	1,27,08,405	46.89	1,27,08,405	--	1,34,43,405	49.60	+2.71
e. Banks / FI	--	--	--	--	--	--	--	--	--
f. Any other Foreign Individual	9,27,469	--	9,27,469	3.42	12,72,469	--	12,72,469	4.69	+1.27
Total shareholding of Promoter (A)	1,91,12,292	--	1,91,12,292	70.53	2,01,92,292	--	2,01,92,292	74.51	+3.98
B. Public Shareholding									-
1. Institutions									-
a. Mutual Funds	--	--	--	--	--	--	--	--	--
b. Banks / FI	300	--	300	0.00	300	--	300	0.00	--
c. Central Government	--	--	--	--	--	--	--	--	--
d. State Government	--	--	--	--	--	--	--	--	--
e. Venture Capital Funds	--	--	--	--	--	--	--	--	--
f. Insurance Companies	--	--	--	--	--	--	--	--	--
g. FIs/FPI	6,07,750	--	6,07,750	2.24	--	--	--	--	-2.24
h. Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i. Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	6,08,050	--	6,08,050	2.24	300	--	300	0.00	-2.24
2. Non-Institutions									
a) Bodies Corporate									
i. Indian	34,47,348	65,817	35,13,165	12.96	21,84,063	1,893	21,85,956	8.06	-4.89
b) Individuals									-
i. Individual shareholders holding nominal share capital upto Rs. 2 lakh	12,09,894	2,69,216	14,79,110	5.46	13,58,528	2,62,866	16,21,394	5.98	+0.52
ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	14,07,120	2,200	14,09,320	5.20	2,06,395	--	2,06,395	0.76	-4.44
c) Others (specify)									
i. Trust	--	--	--	--	--	--	--	--	--
ii. Hindu Undivided Family	3,93,047	--	3,93,047	1.45	1,29,365	--	1,29,365	0.47	-0.98
iii. Non Resident Indians	3,18,126	2,00,100	5,18,226	1.91	25,40,753	2,00,100	27,40,853	10.0	+8.09
iv. Overseas Corporate Bodies	2,500	--	2,500	0.01	2,500	--	2,500	0.01	-
v. Foreign Nationals	--	--	--	--	--	--	--	--	--
vi. Clearing Members	64,290	--	64,290	0.24	20,945	--	20,945	0.07	-0.17
Sub-total (B)(2):-	68,42,325	5,37,333	73,79,658	27.23	64,42,549	4,64,859	69,07,408	25.49	-1.87
Total Public Shareholding (B)=(B)(1)+(B)(2)	74,50,375	5,37,333	79,87,708	29.47	64,42,849	4,64,859	69,07,708	25.49	-4.11
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	2,65,62,667	5,37,333	2,71,00,000	100.00	2,66,35,141	4,64,859	2,71,00,000	100.00	--

D. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 1 st April, 2018			No. of Shares held at the end of the year as on 31 st March, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Chiripal Exim LLP	55,00,000	20.30	49.09	62,35,000	23.00	49.09	+2.7
2.	Devkinandan Corporation LLP	53,57,747	19.77	25.48	53,57,747	19.77	25.48	0.00
3.	Chiripal Industries Ltd	15,14,000	5.59	0.00	15,14,000	5.59	0.00	0.00
4.	Vedprakash Chiripal	9,27,469	3.42	0.00	12,72,469	4.69	0.00	+1.27
5.	Brijmohan Chiripal	12,29,120	4.54	0.00	12,29,120	4.54	0.00	0.00
6.	Manjudevi J. Agarwal	10,00,400	3.69	0.00	10,00,400	3.69	0.00	0.00
7.	Savitridevi V Chiripal	5,00,200	1.85	0.00	5,00,200	1.85	0.00	0.00
8.	Vishal V Chiripal	5,00,200	1.85	0.00	5,00,200	1.85	0.00	0.00
9.	Urmiladevi J Agarwal	10,00,600	3.69	0.00	10,00,600	3.69	0.00	0.00
10.	Shanti Exports Private Limited	2,24,808	0.83	0.00	2,24,808	0.83	0.00	0.00
11.	Nandan Denim Limited	64,000	0.24	0.00	64,000	0.24	0.00	0.00
12.	Shanti Educational Initiatives Limited	47,850	0.18	36.47	47,850	0.18	36.47	0.00
13.	Jayprakash D Chiripal	4,77,580	1.76	0.00	4,77,580	1.76	0.00	0.00
14.	Jyotiprasad D Chiripal	7,39,969	2.73	0.00	7,39,969	2.73	0.00	0.00
15.	Aayushi J Agarwal	200	0.00	0.00	200	0.00	0.00	0.00
16.	Brijmohan D Chiripal - HUF	400	0.00	0.00	400	0.00	0.00	0.00
17.	Deepak J Agarwal	400	0.00	0.00	400	0.00	0.00	0.00
18.	Pritidevi B Chiripal	400	0.00	0.00	400	0.00	0.00	0.00
19.	Ronak B Agarwal	25,949	0.10	0.00	25,949	0.10	0.00	0.00
20.	Ruchi B Agarwal	200	0.00	0.00	200	0.00	0.00	0.00
21.	Vansh J Chiripal	200	0.00	0.00	200	0.00	0.00	0.00
22.	Vedprakash D Chiripal - HUF	200	0.00	0.00	200	0.00	0.00	0.00
23.	Nishi Agarwal	100	0.00	0.00	100	0.00	0.00	0.00
Total		1,91,12,292	70.53	21.36	2,01,92,292	74.51	21.36	3.97

E. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2019: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anil Kumar Dhanuka				
	At the beginning of the year	22929	0.08	22929	0.08
	Transaction Sale/Purchase	1135347 Purchase	4.12	1158276	4.27
	At the end of the year	1158276	4.27	1158276	4.27
2	Gupta Silk Mills Pvt Ltd				
	At the beginning of the year	663700	2.44	663700	2.44
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	663700	2.44	663700	2.44
3	Aviva Industries Ltd				
	At the beginning of the year	103277	0.38	103277	0.38
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	103277	0.38	103277	0.38
4	Gupta Synthetics Ltd				
	At the beginning of the year	350500	1.23	350500	1.29
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	350500	1.29	350500	1.29
5	Rameswar Retailers Pvt Ltd				
	At the beginning of the year	311089	1.48	311089	1.48
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	311089	1.48	311089	1.48
6	Ankush Synthetics Ltd				
	At the beginning of the year	103277	0.38	103277	0.38
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	103277	0.38	103277	0.38
7	Anjani Vinimay Pvt Ltd				
	At the beginning of the year	95000	0.35	95000	0.35
	Transaction Sale/Purchase	6154 Sale	0.00	88846	0.32
	At the end of the year	88846	0.32	88846	0.32
8	Ashmi Financial Consultancy Pvt Ltd				
	At the beginning of the year	82500	0.30	82500	0.30
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	82500	0.30	82500	0.30
9	Gupta Textile Industries Pvt Ltd				
	At the beginning of the year	73816	0.27	73816	0.27
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	73816	0.27	73816	0.27
10	Harianand Trading LLP				
	At the beginning of the year	63924	0.23	63924	0.23
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	63924	0.23	63924	0.23

F. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr Jyotiprasad Chiripal				
	At the beginning of the year	7,39,969	7.23	7,39,969	7.23
	Transaction Sale/Purchase	N.A.	N.A.	N.A.	N.A.
	At the end of the year	7,39,969	7.23	7,39,969	7.23

*Other than this Directors /KMP were not holding any shares

V. INDEBTEDNESS –

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20.32	--	--	20.32
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	0.11	--	--	0.11
Total (i+ii+iii)	20.43	--	--	20.43
Change in Indebtedness during the financial year				
* Addition	10.60	--	--	10.60
* Reduction	14.46	--	--	--
Net Change	(3.86)	--	--	--
Indebtedness at the end of the financial year				
i) Principal Amount	16.49	--	--	16.49
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	0.08	--	--	0.08
Total (i+ii+iii)	16.57	--	--	16.57

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Whole-time Director		Total Remuneration
		Jyotiprasad Chiripal Chairman	Pooransingh Mathuria WTD	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	17.54	17.54
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--
5	Others, please specify 1. PF Contribution 2. Gratuity Accrued for the year (Payable at Retirement/resignation)	--	--	--
	Total (A)	--	17.54	17.54
	Ceiling as per the Companies Act, 2013 (as per Schedule V)			84.00

B. REMUNERATION TO OTHER DIRECTORS

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Fees for attending board / committee meetings	Commission	Others, please specify	Total Amount
1	Independent Directors				
	Mr. Ambalal Patel	1.39	--	--	1.39
	Mr. Murlimanohar Goyal	--	--	--	--
	Ms. Chinar Jethwani	0.78	--	--	0.78
	Total A		--	--	
2	Other Non-Executive Directors				
		--	--	--	--
	Total B	--	--	--	--
	Total Managerial Remuneration (A)+(B)	2.17	--	--	2.17
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	--		--	

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	CEO	CFO	CS	Total
		Mr. Pradipkumar Khandelwal	Mr. Satish Bhatt	Mr. Harsh Hirpara	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32.17	10.95	4.85	47.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission				
	- as % of profit	--	--	--	--
	others, specify				
5	Others, please specify	--	--	--	--
	Total	32.17	10.95	4.85	47.47

C. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

For and on behalf of the Board

Sd/-

Pooransingh Mathuria

Whole Time Director

DIN: 07430356

 Place : Ahmedabad
 Date : 13th August, 2019

Annexure – III

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2018-19 and
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(₹ in Lakhs)

Sr. No.	*Name of Director/KMP and its Designation	Remuneration to the Director/KMP for the Financial Year 2018-2019	Remuneration to the Director/KMP for the Financial Year 2017-2018	Percentage increase/decrease in remuneration in the Financial Year 2018-2019	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. Jyotiprasad Chiripal Director and Chairman	--	--	--	--
2.	Mr. Pooran Singh Mathuria Whole-time Director	17.54	15.82	10.87	8.94
3.	Mr. Pradip Khandelwal Chief Executive Officer	32.17	30.78	4.51	16.39
4.	Mr. Satish Bhatt Chief Financial Officer	10.95	9.50	15.26	5.85
5.	Mr. Harsh Hirpara Company Secretary	4.85	N.A.	N.A.	2.47

* Only Sitting Fees is paid to Independent Directors.

- The Median Remuneration of Employees (MRE) of the Company is Rs. 1,96,170 for the Financial Year 2018-2019. The MRE for the year increased by Rs. 3704 as compared to Rs. 1,92,466 during the previous financial year.
- The number of permanent employees on the rolls of the Company is 386 for the year ended 31st March, 2019.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was approx. 9.40%. Managerial Remuneration was not increased during the year under consideration, the increase in remuneration is determined based on the performance by the employees of the Company.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company. The ratio of the remuneration of the highest paid director and other details of the employees who are not directors but received remuneration in excess of the highest paid director during the year is as below;

Employees covered under rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014 mentioned as below;

Name	Designation	Remuneration received (Rs. In Lakhs)	Nature of Employment	Date of Commencement	Age	Qualification	Last employment held by such employee before joining the company	Relation with Director
Pradip Khandelwal	CEO	32.17	Permanent	18/02/2011	57	ICWA	Suzlon Energy Ltd.	NA
S. P. Paranjapee	Asst. Vice President Marketing & Sales	23.26	Permanent	04/08/1999	55	B. Tech	Nova Petrochemicals Ltd.	NA
Akhil Saraf	Asst. Vice President Production	17.25	Permanent	01/02/2011	50	B. Tech	Raj Reyons Industries Ltd.	NA
Harshad Patel	DGM	14.88	Permanent	04/04/2008	37	BE BOE	Euro Garies Ltd.	NA
Parimal Khanna	DGM	13.65	Permanent	01/02/2008	42	MBA	NRC Ltd.	NA
Satish Bhatt	CFO	10.95	Permanent	01/11/1995	54	B.Com	Nova Petrochemicals Ltd.	NA

Name	Designation	Remuneration received (Rs. In Lakhs)	Nature of Employment	Date of Commencement	Age	Qualification	Last employment held by such employee before joining the company	Relation with Director
Rajendra Dikhit	Sr. Manager	9.93	Permanent	14/04/2011	58	BBA	Raj Reyons Industries Ltd.	NA
Nitin Patel	DGM	9.87	Permanent	14/02/1996	60	LLB	Nova Petrochemicals Ltd.	NA
Vivekanand Chaudhary	DGM	9.30	Permanent	18/08/2010	48	B.Sc	Gujarat Polyfilms Ltd.	NA
Vivekanand Shukla	IT-EDP	9.24	Permanent	01/06/2007	49	B.COM and IT	Welspun Syntex Ltd.	NA

For and on behalf of the Board

Sd/-

Pooransingh Mathuria

Whole Time Director

DIN: 07430356

Place : Ahmedabad
Date : 13th August, 2019

Annexure – IV

ANNUAL REPORT ON CSR ACTIVITIES CARRIED OUT BY THE COMPANY

- 1 A brief outline of the company's CSR policy, including overview of projects or Programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

CSR policy is stated herein below:

The Mission and philosophy of the CSR function of the Company is "To contribute positively to the development of the society, by acting as a good neighbor, considerate of others, playing the role of a good corporate citizen with passion and compassion." Hence the CSR activities undertaken by the organization essentially focus on **four core areas of Environment, Health, Education and Community Development**.

The focus of the Company is to contribute to various institutions and initiatives around the manufacturing locations to provide social services to the needy. The CSR vision of the Company is to strive to be a responsible corporate by proactively partnering in the Environmental, Social and Economic development of the communities through the use of innovative technologies, products as well as through activities beyond normal business.

The Company endeavors to make a positive and significant contribution to the society by targeting social and cultural issues, maintaining a humanitarian approach and focusing on areas in and around its plants and where its establishments are located. In particular, the Company will undertake CSR activities as specified in Schedule VII to the Companies Act, 2013 (including any amendments to Schedule VII and any other activities specified by the Government through its notifications and circulars) but will not be limited to the following:

1. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently able and livelihood enhancement projects;
2. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, including contribution to the Swatch Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
7. Slum area development.

Disclosure:

CSR activities will be undertaken either by the Company itself or through a Trust/Section 8 Company to be established by the Company or through any other Trust engaged in similar projects and activities.

2 Composition of CSR committee:

Name of the Member	Designation
Mr. Murlimanohar Goyal	Chairman
Ms. Chinar Jethwani	Member
Mr. Ambalal Patel	Member

3 Average net profit of the company for last three financial years:**4 Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):****5 Details of CSR spend for the financial year:**

- Total amount spent for the financial year:
- Amount unspent if any: Nil
- Manner in which the amount spent during the financial year is detailed as below:

Sr. No.	CSR Project or activity	Sector	Location	Amount outlay (Budget)	Amount spent on the project or Programme	Cumulative Expenditure up to reporting period	Amount spent directly/ or throughout implementing agency
1.	Not Applicable						

6 CSR Policy and Committee has been formulated

For, CIL Nova Petrochemicals Limited

Pooransingh Mathuria
Whole Time Director
DIN: 07430356

Murlimanohar Goyal
Chairman
CSR Committee
DIN: 02329431

Place : Ahmedabad
Date : 13th August, 2019

FORM No. MR-3**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,

CIL NOVA PETROCHEMICALS LTD

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CIL NOVA PETROCHEMICALS LTD** (for brevity purpose, 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 my opinion thereon.

Based on my verification of the Company's 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 and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on 31st March, 2019 according to the applicable provisions of:

- a) The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- b) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- d) 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;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Presently (Prohibition of Insider Trading) Regulations 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- f) Other laws specifically applicable to the Company namely–
 - i) Additional Duties of Excise (Textiles and Textile Articles) Act, 1978;
 - ii) Textiles Committee Act, 1963;
 - iii) Textiles (Development and Regulation) Order, 2001;
 - iv) Textiles (Consumer Protection) Regulations, 1988;
 - v) Water (Prevention and Control of Pollution) Act, 1974;
 - vi) Environment (Protection) Act, 1986;
 - vii) Employees' Provident Funds & Misc. Provisions Act, 1952;
 - viii) Employees' State Insurance Act, 1948;
 - ix) Factories Act, 1948;
 - x) Minimum Wages Act, 1948;
 - xi) Payment of Gratuity Act, 1972;
 - xii) Labour Laws and other incidental laws;
 - xiii) Negotiable Instruments Act, 1881

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

- a. Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings.
- b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that

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

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

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

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me 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.

Place : Ahmedabad
Date : 13th August, 2019

Sd/-
(Jatin Kapadia)
Company Secretary
COP: 12043

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

Annexure A

To,
CIL NOVA PETROCHEMICALS LIMITED

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

- (a) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
- (b) I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion;
- (c) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- (d) 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 procedure on test basis;
- (e) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : 13th August, 2019

Sd/-
(Jatin Kapadia)
Company Secretary
COP: 12043

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Management Discussion and Analysis is part of Directors Report for the Year Ended 31st March, 2019.)

➤ **INDUSTRIAL STRUCTURE, DEVELOPMENT AND OVERVIEW :**

The Company is in business of manufacturing of Partially Oriented Yarn (POY), Micro-Filament Yarn, Draw Twisted Yarn (DTY), Texturised Yarns and Fully Drawn Yarns (FDY). However Competition in the industry is continuously increasing but overall Performance of the Company is satisfactory.

The Indian economy is trending as bright spot amidst a flat global economy. The economic growth accelerated to 6.75 to 7.50 percent in 2017-18, as compared to 7.1 percent in 2016-17 as per Economy Survey 2016-17 (Finance Ministry). The fundamental strength of Indian Textile Industry flows from its strong production base of wide range of yarns. Indian textile industry is likely to continue its strong growth, buoyed by strong domestic consumption. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 2 percent to India's gross domestic product (GDP) and 27 percent to overall Index of Industrial Production (IIP). India accounts for 66 percent of global market share of textiles and garments. India accounts for about 16 percent of world's production of textile fibres and yarns Government has been overall supportive in encouraging textile industry in India. Textile industry has been included in list of 25 sectors of 'Make in India' initiative of the Government of India. With the right Government policies, we believe that the Indian Textile Industry is well poised to benefit from the large opportunity offered in the domestic and export market.

➤ **FINANCIAL PERFORMANCE:**

The total revenue during the year under review was Rs. 24896.81 Lakhs as against Rs. 25053.23 Lakhs in the previous year showing a decrease of 0.62%. However productivity was increased in comparison to previous year production. The Management of the Company is taking efforts for the progress of the Company. The performance of the Company is gradually improving with transient time. The improvement is evident from the financial statement of the Company.

➤ **OPPORTUNITY:**

Initiative of "Make in India" has received overwhelming support from Government and as textile sector is in the loop of Make in India concept overall there will be increase in consumptions of your company's products and there may be increase in demand of the same and which will lead to growth of the company.

➤ **THREATS:**

There is continuous increase in Competition in Textile Sector, many companies are entering in textile segment due to high demand and so, in order to survive in the market company have not increased its profit margins as estimated by the management however company has managed to survive the same by taking appropriate actions.

➤ **OUTLOOK:**

Your Company's future growth is built on domestic consumption of textiles & clothing. The company is expected to grow in line with textile industry. It is expected that Textile Business shall continue to grow at 7%-8%. Your company continues to build on to the Technical Textiles Business. On the whole the outlook for the company continues to remain positive. The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, productivity improvement and cost reduction exercise.

➤ **RISK AND CONCERN:**

The risk management function is integral to the company and its objectives includes ensuring that critical risk are identified continuously, monitored and managed effectively in order to protect the company's business.

However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market.

The management has already taken initiatives in advance for mitigating the above mentioned risk and concerns/challenges. The company has taken major initiatives like focus on cost reduction through inventory management techniques, manufacturing process without compromising quality of products and retains talented employees etc.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

With an aim to monitor and control day-to-day operations at CNPCL, the Company has set up internal control systems for regular tracking and reporting for that the Company has appointed an independent firm of Chartered Accountant for the same with such powers and responsibilities that are required to ensure the adequacy of the internal Control System. These systems also monitor compliance to various rules and regulations, and adherence to policy requirements and submit their report to Audit Committee and Board on Quarterly and Yearly Basis.

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

- Concentration on reduction of costs by undertaking specific exercise in different fields and started to have in house paper tube plant.
- Focusing on modernization of manufacturing process to improvise quality and reduction of costs.
- The Company is quite confident that the overall productivity, profitability would improve in a sustainable manner, as a result of this strategy.

➤ **HUMAN RESOURCE:**

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building efforts are made to enhance employee skills, motivation as also to foster team spirit. Industrial relations were cordial throughout the year. The Company has 352 employees as on year ended 31st March, 2019.

➤ **CAUTIONARY STATEMENT**

Statements in Management Discussions and Analysis Report describing the Company's objectives, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Sd/-

Pooransingh Mathuria

Whole Time Director

DIN: 07430356

Place : Ahmedabad

Date : 13th August, 2019

REPORT ON CORPORATE GOVERNANCE

(The Report on Corporate Governance forms part of the Directors Report for the year Ended on 31st March, 2019)

Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

2. BOARD OF DIRECTORS AND ITS COMPOSITION:

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Independent Directors with excellent knowledge and experience in various fields relating to the business activities of the company.

The Strength as on 31st March, 2019 the Board of Directors of the Company consisted of 5 (Five) Directors out which 2 (Two) were Independent Directors of which 1 (one) was Woman Independent Director, 1 (One) is Whole-time Director and 1 (One) is Executive Director. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Three Independent Directors are Ms. Chinar Jethani and Mr. Murlimanohar Goyal.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Schedule V (C) (2) (e) and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, none of the Directors are related to each other.

During the financial year 2018-19, 4 (Four) Meetings of the Board of Directors were held on following days: 30th May, 2018; 14th August, 2018; 3rd November, 2018 and 12th February, 2019..

The details of the number of Board and General Meeting(s) attended by each Director during the year ended 31st March, 2019 and Directorship and/ or Membership/ Chairmanship of the Committees of Board (except Private Companies, Non-Profit Companies and Foreign Companies) held by each of them as on 31st March, 2019 are given below:

Name of Director	Category	Attendance Particulars			No. of other Directorships (Including this Listed Company)	No. of Committee Positions held (including this Company) [@]	
		No. of Board Meetings held	No. of Board Meetings Attended	Attended Last AGM		Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Mr. Jyotiprasad Chiripal	Promoter/ Chairman/ Executive Director	4	4	Yes	2	2	0
Mr. Pooransingh Mathuria	Whole-time Director	4	4	Yes	1	0	0
Mr. Ambalal Patel*	Independent Director	4	4	Yes	6	9	3
Mr. Murlimahohar Goyal	Independent Director	4	4	Yes	1	2	0
Ms. Chinar Jethwani	Independent Director	4	4	Yes	2	2	0

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

@ As per Regulation 26(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The number of directorships

and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31st March, 2019.

Disclosure of Shareholding of Non-Executive Directors:

Name of the Director	Shares held as on 31 st March, 2019 (Own or held by/for other persons on a beneficial basis)
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Jethwani	Nil

3. BOARD COMMITTEES:

Under the sponsorship of the Board of Directors, several committees have been constituted which have been delegated powers for different functional areas. The Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee have been constituted pursuant to and in accordance with the provisions of SEBI Listing Regulations and Companies Act, 2013.

The details of Committees of Board of Director are given below:

A. AUDIT COMMITTEE:

TERMS OF REFERENCE:

The Audit Committee acts in accordance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time.

Further as per provisions of Section 177 of Companies Act, 2013 and Listing Regulations committee recommends appointment, remuneration and terms of appointment of auditors of the Company, review and monitor the auditor's independence and performance and effectiveness of the audit process, examination of the financial statements and the auditor's report thereon, approval or any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary, evaluation of internal financial controls and risk management systems, monitoring the end use of funds raised through public offers and related matters and such other as may be prescribed in Companies Act, 2013 and Listing Regulations.

COMPOSITION COMMITTEE:

The Audit Committee Comprises of the following 4 (Four) Members;

Name of Director	Designation	Category
Mr. Ambalal Patel*	Chairman	Independent Director
Mr. Jyotiprasad Chiripal	Member	Promoter Executive Director
Mr. Murlimanohar Goyal	Member	Independent Director

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

Mr. Harsh Hirpara, Company Secretary and Compliance Officer acted as Secretary of the Committee.

The quorum for the Meeting of the Audit Committee is as per applicable laws. During the year under review, the Committee met four times, The details of the attendance of Directors at Audit Committee meetings during the financial year are as under:

Name of Director	Number of Meeting Attended
Mr. Ambalal Patel*	04
Mr. Jyotiprasad Chiripal	04
Mr. Murlimanohar Goyal	04

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

B. NOMINATION AND REMUNERATION COMMITTEE:

TERM OF REFERENCE:

The terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time, and it broadly includes the following:

- Identifying and selection of candidates for appointment as Directors/ Independent Director based on certain laid down criteria;

- Performing all such functions as are required to be performed by the Committee with regard to ESPS/ ESOPs under the Regulations issued by Securities and Exchange Board of India from time to time; and
- Such other matters as specified under Listing Regulations and requirements of Section 178 of the Companies Act, 2013 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.

COMPOSITION AND ATTENDANCE AT MEETINGS:

The Nomination and Remuneration Committee comprises of following Three Members out of which Four Members are Independent Directors:

Name of Director	Designation	Category
Mr. Murlimanohar Goyal	Chairman	Independent Director
Mr. Jyotiprasad Chiripal	Member	Promoter Executive Director
Mr. Ambalal Patel*	Member	Independent Director

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

Mr. Harsh Hirpara, Company Secretary and Compliance Officer acted as Secretary of the Committee.

During the year under review, the Committee met one time. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

Name of Director	No. of Meeting Attended
Mr. Murlimanohar Goyal	1
Mr. Jyotiprasad Chiripal	1
Mr. Ambalal Patel	1

A process of evaluation was followed by the Board of Directors for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:
TERM OF REFERENCE:

The terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time, which inter alia includes carrying out such functions for redressal of grievances of shareholders including but not limited to, transfer of shares, non-receipt of annual report, non-receipt of dividend and any other grievance that a shareholder or investor of the Company may have against the Company.

The Committee also oversees and approves Transfer / Transmission / Dematerialisation of shares, issue of Duplicate / Consolidated / Split Share Certificate(s) etc. The Company has appointed M/s. Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA). The Stakeholders Relationship Committee recommends measures for overall improvement in the quality of investor services.

Name of Director	Designation	Category
Mr. Ambalal Patel*	Chairman	Independent Director
Mr. Murlimanohar Goyal	Member	Independent Director
Mr. Jyotiprasad Chiripal	Member	Promoter Executive Director

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

Mr. Harsh Hirpara, Company Secretary, acts as a Secretary to the Committee and is also the Compliance Officer of the Company under Listing Regulations. As the Compliance Officer he is responsible for overseeing the redressal of the investors' grievances.

During the year under review, the Committee met four times. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

Name of Director	No. of Meeting Attended
Mr. Ambalal Patel	04
Mr. Murlimanohar Goyal	04
Mr. Jyotiprasad Chiripal	04

The equity shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). As on 31st March, 2019 the Company had 6286 shareholders.

At the beginning of the year, there were no complaints / correspondences which were pending. During the year under review, the Company and M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent, received no complaints/ correspondence/ grievances and there were no pending complaints as at 31st March, 2019.

- D. OTHER COMMITTEES:** In addition to the above referred committees, the Board has also constituted committees of Directors to look into various business matters. These Committees includes Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee report is attached as Annexure-4 to the Board's report

4. INDEPENDENT DIRECTORS' MEETING:

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors of the Company have been appointed for a period of 5 years. Pursuant to Schedule IV to the Companies Act, every Independent Director has been issued a letter of appointment containing the terms and conditions of his/her appointment. The terms and conditions of appointment have been posted on the website of the Company at www.cnpl.com.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate Meeting of Independent Directors was held on 28th March, 2019 during the year to do following business;

- a) To review the performance of Non-Independent Directors and the Board as whole.
- b) To review the performance of the Chairperson of the Company taking into account the view of Executive Directors and Non-Executive Directors.
- c) To assess quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

The meeting was attended by Mr. Ambalal Patel, Mr. Murlimanohar Goyal, and Ms. Chinar Jethwani, Mr. Ambalal Patel was Chairman of the Independent Directors.

5. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

The Company has familiarized its Independent Directors with the Company, their roles, rights, responsibilities in the Company nature of the industry in which the Company operates business model of the Company, etc. The details of the said familiarization programme are provided on the website of the Company and the web link is <http://cnpl.com/familiarization-programme>.

6. REMUNERATION OF DIRECTORS:

The Company has adopted a Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Remuneration Policy has laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity. The Policy lays down the factors for determining remuneration of Whole-time Directors, Executive and Non-Executive Directors, Key Managerial Personnel and other employees. The policy also lays down the evaluation criteria of the Independent Directors and the Board. The Nomination and Remuneration Committee decides the remuneration for the Whole-time Directors.

Remuneration Policy:

A. Remuneration to Whole-time Director:

The remuneration paid to Whole-time Directors is subject to the limits laid down under Section 197 and Schedule V to the Companies Act, 2013, and in accordance with the terms of appointment approved by the Shareholders of the Company. The remuneration of the Whole-time Director is determined by the Nomination & Remuneration Committee based on track record of the Whole-time Director.

The remuneration consists of Salary, House Rent Allowance (HRA), Conveyance Allowance and other perquisites and allowances in accordance with the rules of the Company, applicable from time to time. The Whole-time Director are not paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

The appointment of Whole-time Director is for a period not exceeding five years at a time subject to ratification by members of the Company at the ensuing Annual General Meeting.

Even if there is no breach of the Companies Code by the Whole-time Director, but the Company exercises the discretion to terminate his services during the term of appointment, without assigning any reason therefore, then and in that event, the Whole-time Director shall be paid a compensation of a sum which shall not exceed the remuneration which he would have earned if he had been in office for the unexpired residue of his term or for three years, whichever is shorter, calculated on the basis of the average

remuneration actually earned by him during a period of three years immediately preceding the date on which he ceased to hold the office or where he held the office for a lesser period than three years, during such period.

Presently, the Company does not have a scheme for grant of stock options either to the Whole-time Directors or employees.

B. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the meetings of the Board or Committee thereof within the limits prescribed under the Companies Act, 2013. Apart from the sitting fees paid by the Company, the Non-Executive Directors, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2018-19.

The details of payments made to Non-Executive Directors during the year ended 31st March, 2019 are as under:

(Amount in Lakhs)

Name of the Director	Sitting Fees
Mr. Ambalal Patel*	1.39
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Rajkumar Jethwani	0.78

* Mr. Ambalal Patel resigned from the Board of the Company from 30th March, 2019

C. Remuneration to Key Managerial Personnel and other employees

The objective of the policy is to have a compensation framework that will reward and retain talent. The remuneration will be such as to ensure that the correlation of remuneration to performance is clear and meets appropriate performance benchmarks. Remuneration to Key Managerial Personnel, Senior Management and other employees will involve a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals. For Directors, the Performance Pay will be linked to achievement of Business Plan. For Heads of Department, the Performance Pay will be linked to achievement of functional plan which is derived from the business plan. The functional plan includes both, short-term and long-term objectives. The above will take into consideration industry performance, customer performance and overall economic environment. For other management personnel, the Performance Pay will be linked to achievement of individual set objectives and part of this will also be linked to overall company performance. Remuneration Policy is also available at <http://cnpcl.com/corporate-policies>.

7. CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at www.cnpcl.com. All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2019. Code of Conduct is available at <http://cnpcl.com/code-of-conduct>. The Annual Report contains a declaration to this effect signed by the Director.

a) ANNUAL GENERAL MEETING:

During last three years, Tenth, Eleventh and Twelfth Annual General Meetings of the equity shareholders of the Company were held. The details of the said Meetings and the Special Resolutions passed thereat are as follows:

General Meeting	Date, Day and Time	Venue	Special Resolution Passed
Fourteenth Annual General Meeting	29 th September, 2018, Saturday at 11:30 AM	Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad - 382201	2
Thirteenth Annual General Meeting	23 rd September, 2017, Saturday at 3:00 PM		----
Twelfth Annual General Meeting	26 th September, 2016, Monday at 3:00 PM		----

b) POSTAL BALLOT:

There was no postal ballot held during the Financial Year 2018-19, none of the resolution is proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

8. MEANS OF COMMUNICATION:

Quarterly/ annual audited financial results are regularly submitted to the Stock Exchanges where the shares of the Company are listed

in accordance with the Listing Regulations and are widely published in a prominent English newspaper "The Financial Express or Indian Express" and in a regional language newspaper, "The Financial Express Gujarati". The quarterly/annual results are also displayed on the Company's website www.cnpl.com soon after their declaration.

A. GENERAL INFORMATION TO SHAREHOLDERS

a)	Annual General Meeting: Date, Day and Time: Friday, 27 th September, 2019 at 10:30 A.M. Venue: Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201 Gujarat.		
b)	Financial Year: The Financial Year of the Company is from 1 st April to 31 st March		
c)	Tentative Results: First Quarter : Second Week of August, 2019 Second Quarter : Second Week of November, 2019 Third Quarter : Second Week of February, 2020 Fourth Quarter : Fourth Week of May, 2020		
d)	Date of Book Closure: 25 th September, 2019 to 27 th September, 2019 (Both days inclusive)		
e)	Listing on Stock Exchanges:		
	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001	National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051	

f) Listing Fees:
Listing fees of both the Stock Exchanges for the year 2019-20 have been paid.

g) Stock Code:
BSE: 533407, NSE: CNOVAPETRO, ISIN: INE672K01025

h) Market price data-high, low during each month in last financial year

Month	BSE		NSE	
	High	Low	High	Low
April, 2018	42.00	31.70	37.60	31.70
May, 2018	37.50	28.30	35.80	28.25
June, 2018	32.80	24.00	32.40	24.10
July, 2018	34.60	21.00	31.95	21.55
August, 2018	36.70	27.05	34.95	26.30
September, 2018	30.50	26.60	28.50	24.60
October, 2018	29.95	25.72	26.85	21.40
November, 2018	28.15	21.85	26.95	21.15
December, 2018	29.00	20.10	24.90	20.50
January, 2019	24.95	19.55	23.00	18.10
February, 2019	20.45	14.70	19.50	14.00
March, 2019	20.50	15.55	20.00	16.00

i) Performance of Share Price in Comparison with BSE SENSEX AND NSE NIFTY

Month	SENSEX	Share Price (Closing Price)	NIFTY	Share Price (Closing Price)
April, 2018	35,160.36	37.10	10739.35	33.80
May, 2018	35,322.38	29.00	10736.15	28.55
June, 2018	35,423.48	26.90	10714.30	26.25
July, 2018	37,606.58	29.30	11356.50	28.40
August, 2018	38,645.07	29.95	11570.90	27.30
September, 2018	36,227.14	29.05	10930.45	27.00
October, 2018	34,442.05	26.90	10386.60	24.90
November, 2018	36,194.30	24.90	10876.75	23.15
December, 2018	36,068.33	24.00	10862.55	22.50
January, 2019	36,256.69	20.90	10652.20	18.25
February, 2019	35,867.44	18.85	10792.50	17.90
March, 2019	38,672.91	18.50	11623.90	17.90

j) Distribution of Shareholding as at 31st March, 2019

Sr. No.	Shareholding Of Shares	Shareholder	Percentage of Total	Total Shares	Percentage of Total issued Shares
1	1 – 500	5750	90.16	710125	2.62
2	501 – 1,000	287	4.5	240987	0.89
3	1,001 – 2,000	156	2.4	227810	0.84
4	2,001 – 3,000	46	0.72	116249	0.43
5	3,001 – 4,000	14	0.22	50570	0.19
6	4,001 – 5,000	25	0.39	116786	0.43
7	5,001 – 10,000	26	0.56	278715	1.02
8	10,001 and Above	63	0.98	25358758	93.57
Total		6377	100.00	2,71,00,000	100.00

k) Dematerialization of Shares and Liquidity

Equity shares of the promoters and promoter group are 100% in dematerialized form. As on 31st March, 2019, 2,65,62,667 a total of equity shares aggregating to 98.02% of the total issued, subscribed and paid-up equity share capital of the Company, are in dematerialised form.

i) Outstanding GDRs / ADRs / Warrants or any Convertible instruments: NIL
m) Category wise Shareholding as at 31st March, 2019

Category	Total Shares	Total Percent
Corporate Bodies (Promoter Co.)	13443405	49.60
Clearing Members	20945	0.07
Other Bodies Corporate	2184063	8.07
Hindu Undivided Family	129365	0.48
Non Nationalised Banks	300	0.00
Non Resident Indians	2532761	10.08
Non Resident (Non Repatriable)	7992	0.03
Overseas Corporate Bodies	2500	0.00
Public	1564923	6.74
Promoters	5476418	20.21
Foreign Promoters	1272469	4.70
Foreign Portfolio Investors (Corporate)	00	00
TOTAL :	2,71,00,000	100.00

n) Plant Location:

Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201 Gujarat.

o) Address of Correspondence:

<p>The Company Secretary CIL Nova Petrochemicals Limited Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201 Gujarat. Email: investorgrievances.cilnova@chiripalgroup.com Fax No.: +91-2717-251612 Tel. No.: +91-2717-250556-7-8, +91-9825800060</p>	<p>Registrar and Share Transfer Agent Link Intime India Private Limited 5th floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navarangpura, Ahmedabad - 380009 Email: ahmedabad@linkintime.co.in Fax No.: 079-26465179 Tel No. 079-26465177</p>
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p) Share Transfer System:

Shares in physical form sent for registering transfer, to the Registrar and Shares Transfer Agents, M/s. Link Intime India Private Limited are registered and returned within a period of 15 days from the date of receipt, if the documents are in order in all respects. The Share Transfer Committee of the Company meets as often as required.

9. DISCLOSURES:

a) Related Party Transactions

The Company has no material significant related party transactions as per Companies Act 2013, which may have a potential conflict with the interest of the Company. The details of transactions between the Company and the related parties are given under Notes to the Financial Statement for the year ended 31st March, 2019. The Board has approved a policy for related party transactions which has been uploaded on the Company's website and the web link is <http://cnpcl.com/corporate-policies>.

b) No Penalty or Strictures

Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: **Nil**.

c) The Company has complied with all the mandatory requirements of Corporate Governance as on 31st March, 2019 and are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) The Company has established vigil mechanism policy and is available at <http://cnpcl.com/corporate-policies> further no personnel has been denied access to the audit committee for the said purpose however there has been no case in vigil mechanism;

e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause. Details of any non-compliance of any requirement of corporate governance report:

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-para (2) to (10) of the Corporate Governance report as given in Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.cnpcl.com.

The non-mandatory requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance

f) CEO/CFO Certification:

A certification from the CEO and CFO as specified in Part B of Schedule II in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations was placed before the Board Meeting held on 29th May, 2019 to approve the Audited Annual Accounts for the year ended 31st March, 2019.

g) Material Subsidiaries:

The Company does not have a material subsidiary as defined under Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at <http://cnpcl.com/corporate-policies> the Policy for determining material subsidiaries is on the website of the Company.

For and on behalf of the Board

Sd/-

Pooransingh Mathuria

Whole Time Director

DIN: 07430356

Place : Ahmedabad

Date : 13th August, 2019

CFO Certification

I, Satish Bhatt, Chief Financial Officer certify that;

- A. I have reviewed the financial statements and cash flow statement for the year ended on 31st March, 2019 and that to the best of our knowledge and belief;
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31st March, 2019 are fraudulent, illegal or violate of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps have been taken to rectify these deficiencies.
- D. I further certify that we have indicated to the auditors and the Audit Committee that;
- i. There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For, CIL Nova Petrochemicals Limited

Place : Ahmedabad
Date : 29th May, 2019

Sd/-
Satish Bhatt
Chief Financial Officer

CODE OF CONDUCT - DECLARATION

As required under Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended 31st March, 2019.

For and on behalf of the Board

Place : Ahmedabad
Date : 13th August, 2019

Sd/-
Pooransingh Mathuria
Whole Time Director
DIN: 07430356

Certificate of Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE MEMBERS OF CIL NOVA PETROCHEMICALS LTD

I have examined the compliance of conditions of Corporate Governance by CIL Nova Petrochemicals Limited ('the Company'), for the year ended March 31, 2018, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st April, 2018 to 31st March, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

Place : Ahmedabad
Date : 13th August, 2019

Sd/-
(Jatin Kapadia)
Company Secretary
COP: 12043

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

I, Jatin Kapadia, Practicing Company Secretary, have examined the registers, records and books and papers of CIL Nova Petrochemicals Limited (the Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder for the financial year ended on 31st March, 2019. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its directors and officers, I certify that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Place : Ahmedabad
Date : 13th August, 2019

Sd/-
(Jatin Kapadia)
Company Secretary
COP: 12043

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
CIL Nova Petrochemicals Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the financial statements of **CIL Nova Petrochemicals Limited ("the Company")**, which comprise the Balance Sheet as at **31st March, 2019**, and the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.
5. Key audit matter identified in our audit is on recoverability assessment of trade receivables as follows:

Key audit matter	How our audit addressed the key audit matter
Measurement of Expected Credit Loss on Trade Receivables	
Trade receivables amount to Rs.40,18,80,478/- after providing for an impairment based on expected credit loss method of Rs.39,93,229/- The measurement of expected credit loss is based on provision matrix that identifies receivables on number of days remaining outstanding and empirical data on recoverability. This Provision matrix requires to be updated regularly based on the circumstantial evidences which may result in significant variation in measurement from one period to other.	The management's estimations for impairment based on expected credit loss method, our audit procedures included the following: <ul style="list-style-type: none"> • Obtained a list of receivables • We analysed the aging of receivables; • Identified any receivables with financial difficulty through discussion with management; • We obtained receivables balance confirmations on a sample basis; • Tested subsequent settlement of receivables after the balance sheet date on a sample basis; • In respect of receivables overdue for a period of 90 days or more, we assessed the recoverability through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.

Information other than the Standalone Financial Statements and Auditors' Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and as may be legally advised.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for our resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. 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 "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS Specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements- Refer Note -38 to the Financial Statement;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, **Samir M. Shah & Associates**
Chartered Accountants
[Firm Regd. No. 122377W]

Sd/-
(S. M. Shah)
Partner
[M. No. 111052]

Place : Ahmedabad
Date : 29/05/2019

Annexure "A" to the Independent Auditors' Report of even date on the Standalone Financial Statements of CIL Nova Petrochemicals Limited

Referred to in paragraph 15 of our Report of even date to the Members of **CIL Nova Petrochemicals Limited** for the year ended **31st March, 2019**

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification, physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As explained to us, the title deeds of all the immovable properties are held in the name of the Company's name.

2. In respect of Inventories :

As per the information and explanations given to us, inventories were physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such physical verification.

3. In respect of Loans and Advances granted during the year:

As regards the loans , the Company has not granted any loans , secured or unsecured during the year under audit, to the Companies firms and other parties covered in the register maintained under section 189 of the Companies Act , 2013 and therefore, the clauses (iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable.

4. Loans, Investments and guarantees:

In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Companies Act,2013 in respect of loans, investments, guarantees and security.

5. Acceptance of Deposits:

During the year, the Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act,2013 and the rules framed there under are not applicable to the Company. Therefore clauses (v) of Companies (Auditor's Report) Order, 2016 is not applicable.

6. Cost Records:

Pursuant to the rules made by the central government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues :

- (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Value added tax, Central Sales Tax, Goods and Service Tax, service tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues of income tax, service tax, duty of customs, duty of excise, value added tax, central sales tax or cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Name of the Statute	Nature of the Dues	Year	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand & Interest	2011-12	1,141,960	Income Tax Appellate Tribunal
The Central Excise and Customs Act	Excise Duty & Penalty	2003-04	3,230,730	Custom Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax & Penalty	2004-05	3,398,641	Custom Excise and Service Tax Appellate Tribunal
	Service Tax & Penalty	2005-06	146,479	Assistant Commissioner of Central Excise
The Textile Committee Amendment Act, 1973	Textile Cess	1995 to 2005	5,090,119	Textiles Committee, Government of India, Ministry of Textiles
Gujarat Pollution Control Act	Compensation	2004 to 2010	5,164,620	High Court of Gujarat

8. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Banks or Government. The Company has no debenture holder or any financial institutional borrowing during the year.
9. According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the Company. Hence, Clause 3(xii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions entered by the Company with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and details thereof are properly disclosed in the financial statements as required by the applicable accounting standard.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, clause (xiv) of the Company's (Auditor's Report) Order, 2016 is not applicable.
15. The Company had not entered in to any non-cash transactions with the directors or persons connected with him during the year, hence section 192 of the Companies Act, 2013 is not Applicable, hence clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.
16. As the Company is not required to register under section 45-IA of Reserve Bank of India Act, 1934, hence, clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.

For, **Samir M. Shah & Associates**
Chartered Accountants
[Firm Regd. No. 122377W]

Sd/-

(S. M. Shah)

Partner

[M. No. 111052]

Place : Ahmedabad
Date : 29/05/2019

Annexure "B" To Independent Auditors' Report

Referred to in paragraph 16(f) of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the Members of **CIL Nova Petrochemicals Limited** for the year ended **31st March, 2019**.

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 **CIL Nova Petrochemicals Limited** as of **31st March 2019**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **Samir M. Shah & Associates**
Chartered Accountants
[Firm Regd. No. 122377W]

Sd/-
(S. M. Shah)
Partner
[M. No. 111052]

Place : Ahmedabad
Date : 29/05/2019

Balance Sheet as at March 31, 2019

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	814,964,445	862,852,930
(b) Capital Work-In-Progress	4	90,402,496	87,377,144
(c) Intangible Assets		Nil	Nil
(d) Financial Assets			
(i) Investments	5	13,315	16,691
(ii) Other Financial Asset	6	1,596,969	1,596,969
(e) Deferred Tax Assets (net)	7	Nil	Nil
(f) Other Non-Current Assets	8	13,575,996	16,760,103
Total Non - Current Assets		920,553,221	968,603,837
2 Current assets			
(a) Inventories	9	269,661,826	205,092,258
(b) Financial Assets			
(i) Trade Receivables	10	401,880,478	369,887,832
(ii) Cash and Cash Equivalents	11	684,033	3,539,164
(iii) Other Bank Balances	12	16,245,820	16,628,400
(iv) Other Financial Assets	13	163,478	158,308
(c) Current Tax Assets (Net)	14	3,327,092	1,762,541
(d) Other Current Assets	15	59,330,346	44,187,274
Total Current Assets		751,293,073	641,255,777
Total Assets (1+2)		1,671,846,294	1,609,859,614
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	16	271,000,000	271,000,000
(b) Other Equity	17	559,359,494	571,732,680
Total Equity		830,359,494	842,732,680
LIABILITIES			
2 Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,046,722	588,486
(ii) Other Financial Liabilities	19	108,520,409	99,500,729
Total Non - Current Liabilities		109,567,131	100,089,215
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	239,770,141	191,528,790
(ii) Trade Payables	21	405,019,778	375,182,286
(iii) Other Financial Liabilities	22	76,572,877	91,400,603
(b) Other Current Liabilities	23	3,058,889	2,482,783
(c) Provisions	24	7,497,984	6,443,257
(d) Current Tax Liabilities (Net)	25	Nil	Nil
Total Current Liabilities		731,919,670	667,037,719
Total Equity and Liabilities (1+2+3)		1,671,846,294	1,609,859,614
Summary of Significant Accounting Policies	2		

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**

Chartered Accountants

(Firm Regd. No.122377W)

Sd/-

(Samir M Shah)

Partner

(M.No.111052)

Place : Ahmedabad

Date : 29.05.2019

For, **CIL NOVA PETROCHEMICALS LIMITED**

Sd/-

(Jyotiprasad Chiripal)

Chairman

DIN: 00155695

Sd/-

(Satish Bhatt)

Chief Financial officer

Place : Ahmedabad

Date : 29.05.2019

Sd/-

(Pooran Singh Mathuria)

Whole Time Director

DIN: 07430356

Sd/-

(Harsh Hirpara)

Company Secretary

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in Rs.)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I Revenue From Operations	26	2,489,681,285	2,505,323,861
II Other Income	27	21,724,328	23,123,027
III Total Income (I + II)		2,511,405,613	2,528,446,888
IV EXPENSES			
(a) Cost of Materials Consumed	28	1,914,593,385	1,851,332,365
(b) Purchases of Stock-in-Trade	29	61,237,236	64,746,665
(c) Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	30	(33,104,092)	(26,305,790)
(d) Excise Duty		Nil	68,685,422
(e) Employee Benefit Expense	31	110,358,672	105,389,878
(f) Finance Costs	32	37,158,561	39,222,700
(g) Depreciation and Amortisation Expense	33	46,520,290	51,546,964
(h) Other Expenses	34	387,108,856	357,577,148
Total Expenses		2,523,872,908	2,512,195,352
V Profit/(loss) Before Tax (III- IV)		(12,467,295)	16,251,536
VI Tax Expense			
(a) Current Tax	35	Nil	3,394,500
(b) Deferred Tax	35	Nil	Nil
(c) Short/ (Excess) Provision of Income Tax	35	180,316	197,408
Total Tax Expense		180,316	3,591,908
VII Profit/(loss) for the year (V - VI)		(12,647,611)	12,659,628
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans	36	274,424	666,809
(ii) Income tax relating to items that will not be reclassified to profit or loss	36	Nil	Nil
B (i) Items that may be reclassified to profit or loss		Nil	Nil
(ii) Income tax on items that may be reclassified to profit or loss		Nil	Nil
IX Total Comprehensive Income (VIII A + VIII B)		274,424	666,809
X Total Comprehensive Income for the year (VIII+X)		(12,373,187)	13,326,437
XI Basic & diluted earnings per share of face value of Rs.10 each Fully Paid up			
(a) Basic	37	(0.47)	0.47
(b) Diluted	37	(0.47)	0.47

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**

Chartered Accountants

(Firm Regd. No.122377W)

Sd/-

(Samir M Shah)

Partner

(M.No.111052)

Place : Ahmedabad

Date : 29.05.2019

Annual Report 2018-2019

For, **CIL NOVA PETROCHEMICALS LIMITED**

Sd/-

(Jyotiprasad Chiripal)

Chairman

DIN: 00155695

Sd/-

(Satish Bhatt)

Chief Financial officer

Place : Ahmedabad

Date : 29.05.2019

Sd/-

(Pooran Singh Mathuria)

Whole Time Director

DIN: 07430356

Sd/-

(Harsh Hirpara)

Company Secretary

Cash Flow Statement for the year ended March 31, 2019

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A: Cash from Operating Activities :		
Net Profit before Taxation	(12,467,295)	16,251,536
Adjustment For :		
Depreciation and Amortisation Expense	46,520,290	51,546,964
Finance costs	37,158,561	39,222,700
Provision for Bad & Doubtful Debts written back	Nil	(1,476,421)
Provision for Bad & Doubtful Debts	45,309	1,092,428
Loss/(Gain) on Sales of Property, Plant & Equipment	2,900,161	(5,332)
Loss on fair valuation of Forward Contract	407,391	Nil
Net gain on investments designated at fair value through profit or loss	3,376	6,287
Unwinding of financial liability	(10,249,635)	(9,151,460)
Interest Income	(11,082,824)	(12,821,104)
	65,702,629	68,414,062
Operating Profit Before Working Capital Changes:	53,235,334	84,665,598
Adjustment For :		
Decrease/(increase) in Other Non Current Assets	(194,900)	145,099
Decrease/(increase) in Non Current Financial Assets	Nil	1,965,000
(increase)/Decrease in inventories	(64,569,568)	(40,619,300)
(increase)/Decrease in Trade Receivable	(32,037,955)	65,596,273
(increase)/Decrease in Other Current Assets	(15,143,070)	(13,215,485)
Increase/(decrease) in Trade Payable	29,837,492	42,585,468
Increase/(decrease) in Other Current Financial Liability	(8,825,747)	2,212,399
Increase/(decrease) in Other Current Liabilities	576,106	(10,249,660)
Increase/(decrease) in Non Current Financial Liability	9,019,680	(2,196,350)
Increase/(decrease) in Current Provision	1,472,258	1,437,708
	(79,865,704)	47,661,152
Cash Generated From Operations	(26,630,370)	132,326,750
Income Tax Paid	(3,324,393)	(5,530,996)
	(3,324,393)	(5,530,996)
Net Cash From Operating Activities (A)	(29,954,763)	126,795,754
B: Cash Flow From Investment Activities :		
Purchase of Property, Plant and Equipment including Capital Advances & Capital Work in Progress	(7,545,047)	(54,000,262)
Sale of Property, Plant & Equipment	2,382,256	72,000
Margin Money Deposit	239,473	(1,080,937)
Interest Income	11,077,654	21,972,564
Net Cash from Investment Activities (B)	6,154,336	(33,036,635)
C: Cash Flow From Financing Activities :		
Proceeds from Non-Current Borrowings	1,060,302	Nil
Repayment of Non-Current Borrowings	(1,443,783)	(1,427,405)
Proceeds/(repayment) from Current Borrowings (Net)	48,241,352	(51,078,234)
Finance Costs Paid	(26,912,575)	(39,237,263)
Net Cash from Financing Activities (C)	20,945,296	(91,742,902)
Net Increase in Cash & Cash Equivalents	(2,855,131)	2,016,217
Cash & Cash Equivalents at the Beginning	3,539,164	1,522,947
Cash & Cash Equivalents at the End	684,033	3,539,164

Notes :

The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard - 7 "Statement of Cash Flows".

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**

Chartered Accountants

(Firm Regd. No.122377W)

Sd/-

(Samir M Shah)

Partner

(M.No.111052)

Place : Ahmedabad

Date : 29.05.2019

For, **CIL NOVA PETROCHEMICALS LIMITED**

Sd/-

(Jyotiprasad Chiripal)

Chairman

DIN: 00155695

Sd/-

(Satish Bhatt)

Chief Financial officer

Place : Ahmedabad

Date : 29.05.2019

Sd/-

(Pooran Singh Mathuria)

Whole Time Director

DIN: 07430356

Sd/-

(Harsh Hirpara)

Company Secretary

Statement of Changes in Equity for the year ended on March 31, 2019

Equity Share Capital

Particulars	Amount Rs.
Balance as on 1st April, 2017	271,000,000
Changes during the year	Nil
Balance as on 31st March, 2018	271,000,000
Changes during the year	Nil
Balance as on 31st March, 2019	271,000,000

Other Equity

Amount in Rs.

Particulars	Reserves and Surplus					Total
	Undistributable Retained Earnings	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2017	410,893,433	50,000,000	179,945,013	21,177,975	(103,610,178)	558,406,243
Profit for the year	Nil	Nil	Nil	Nil	12,659,628	12,659,628
Other comprehensive income for the year (net of tax)	Nil	Nil	Nil	Nil	666,809	666,809
Total Comprehensive Income for the year	Nil	Nil	Nil	Nil	13,326,437	13,326,437
Share premium received during the year	Nil	Nil	Nil	Nil	Nil	Nil
Balance as at 31st March, 2018	410,893,433	50,000,000	179,945,013	21,177,975	(90,283,741)	571,732,680
Profit for the year	Nil	Nil	Nil	Nil	(12,647,611)	(12,647,611)
Other comprehensive income for the year (net of tax)	Nil	Nil	Nil	Nil	274,424	274,424
Total Comprehensive Income for the year	Nil	Nil	Nil	Nil	(12,373,187)	(12,373,187)
Balance as at 31st March, 2019	410,893,433	50,000,000	179,945,013	21,177,975	(102,656,928)	559,359,493

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 29.05.2019

For, **CIL NOVA PETROCHEMICALS LIMITED**

Sd/-
(Jyotiprasad Chiripal)
Chairman
DIN: 00155695

Sd/-
(Satish Bhatt)
Chief Financial officer
Place : Ahmedabad
Date : 29.05.2019

Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Harsh Hirpara)
Company Secretary

1. Corporate Information

CIL Nova Petrochemicals Limited (referred to as 'the company') is a leading in manufacturing Polyester Oriented Yarn and Fully Drawn Yarn. The company has its registered office at 396(P)-395/4(P), Sarkhej Bavla Highway, Moraiya Village, Taluka-Sanand, Ahmedabad.-382210.

These financial statements are presented in indian rupee with figures rounded off to nearest rupee except otherwise indicated and same were approved by board of the Company in their meeting held on May 29, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

a) Statement of Compliance:

The financial statements have been prepared with all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The current financial statements comprising of Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2019 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Basis of Preparation:

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind As:

1. Investment in equity instruments;
2. Employee defined benefit plans – plan assets;

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

(ii) Use of Estimates:

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 7- Current / Deferred tax liabilities
- Note 31- Measurement of defined benefit obligations
- Note 10- Expected credit loss for receivables
- Note 5- Fair valuation of investments

(iii) Property, Plant and Equipment & Depreciation:

a) Property Plant and Equipment:

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at revalued cost less accumulated impairment losses. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost of an item of property, plant and equipment comprises:

- Freehold land is carried at carrying value as on the date of transition which has been previously revalued based on the report issued by the registered valuer.
- in respect of all other Property, plant and equipment except Freehold land are stated at its purchase price, all costs including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. Tax credit, if any, are accounted for by reducing the cost of capital goods;
- Any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

b) Capital work in progress:

Capital work in progress is stated at cost, comprising direct cost, related incidental expenses, attributable borrowing cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment. Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

c) Compensation for impairment:

The Company recognises compensation from third parties for items of property, plant and equipment that were impaired, lost or given up in profit or loss when the compensation becomes receivable.

d) Derecognition of Property, Plant and Equipment:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss from the derecognition of an item of property, plant and equipment is recognised in the statement of profit and loss account when the item is derecognized.

e) Depreciation methods, estimated useful life and residual value:

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on Assets other than Electrical Installation and Plant and Machinery has been provided on "Straight Line Method" based on the useful life specified in Schedule II of the Companies Act, 2013. Depreciation on Electrical Installation has been provided on "Straight Line Method" by taking the total life of assets at 28 years based on internal technical evaluation. Depreciation on Plant and Machinery has been provided on "Written down Value Method" by taking the total life of assets at 28 years based on internal technical evaluation. However, land is not depreciated.

The estimated useful lives are mentioned below:

Asset Class	Useful life (years)
Plant Buildings	30
Other Buildings- RCC Structure	60
Furniture and Fixtures	10
Electric Installation	28
Computer	3
Plant & Machinery	28
Equipments	5
Vehicles	8

Depreciation is calculated on pro rata basis with reference to the date of addition/disposal. The residual values are not more than 5% of the original cost of asset.

(iv) Intangible Assets and Amortisation :

a) Intangible Assets:

The Company identifies an identifiable non-monetary asset without physical substance as an intangible asset. The Company recognises an intangible asset if it is probable that expected future economic benefits attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost unless acquired in a business combination in which case an intangible asset is measured at its fair value on the date of acquisition. The Company identifies research phase and development phase of an internally generated intangible asset. Expenditure incurred on research phase is recognised as an expense in the profit or loss for the period in which incurred. Expenditure on development phase are capitalised only when the Company is able to demonstrate the technical feasibility of completing the intangible asset, the ability to use the intangible asset and the development expenditure can be measured reliably. The Company subsequently measures all intangible assets at cost less accumulated amortisation less accumulated impairment.

b) Amortisation methods, estimated useful life and residual value:

An intangible asset is amortised on a straight-line basis over its useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. Amortisation commences when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognised. The amortisation charge for each period is recognised in profit or loss unless the charge is a part of the cost of another asset. The amortisation period and method are reviewed at each financial year end. Any change in the period or method is accounted for as a change in accounting estimate prospectively. The Company derecognises an intangible asset on its disposal or when no future economic benefits are expected from its use or disposal and any gain or loss on derecognition is recognised in statement of profit and loss account as gain / loss on derecognition of asset.

(v) Impairment of non – financial assets

The Company reviews the carrying amount of its Property, Plant and Equipment, including Capital Work in progress of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable Amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash generating unit’s fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

(vi) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets:

i. Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (which are not measured at fair value through profit or loss) at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

ii. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company’s business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) **Financial assets measured at amortised cost :**

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) **Financial assets at fair value through profit or loss (FVTPL):**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) **Financial assets at fair value through other comprehensive income (FVOCI):**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

iii. **Equity Instruments:**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss.

The company has elected to measure its equity instruments through FVPTL.

iv. **Derecognition:**

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

v. **Impairment of financial assets:**

The company assesses at each date of statement of financial position whether a financial assets or group of financial assets is impaired. In accordance of Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. As a practical expedient, the company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense / income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12 month ECL.

2. Financial Liabilities:

i. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and subsequently all financial liabilities carried at amortised cost or fair value through profit or loss.

ii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

- i) Financial liabilities measured at amortised cost.
- ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

Subsequently, all financial liabilities are measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. Derecognition:

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(vii) Derivative financial instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

(viii) Off-setting of financial instruments:

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

(ix) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

(x) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost in respect of raw materials, stores, spares, fuel and packing material are determined on FIFO basis. Costs in respect of finished goods and work-in-progress are also computed on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

Spares (not meeting the definition of property, plant and equipment) are accounted as inventory and expensed to the statement of profit and loss when issued for consumption.

(xi) Borrowing Cost :

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings and also the amount outstanding as on the balance sheet date of specific borrowings. Borrowing cost incurred actually on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

(xii) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

(xiii) Statement of Cash flows:

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

(xiv) Revenue recognition :

Effective 1st April, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115, the standard) retrospectively with the cumulative effect of applying this standard recognise at the date initial application. The adoption of this standard did not have any material impact on the financial statements.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The revenue towards satisfaction of performance is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligations. The transaction price of goods sold and service rendered is net of variable consideration on account of various discounts offered by the company as part of contract. These variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that amount will not be subject to significant reversal when uncertainty relating to its recognition resolved.

Sale of Product

The company manufactures Polyester Oriented Yarn, Fully Drawn Yarn, Draw Twisted Yarn, Draw Texturised Yarn and Paper Tube. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer

or on delivery to the customers as may be specified in the contract. The time taken from entering into order and sale is less than 12 months and the normal credit period offered to customers is also less than 12 months. The company offers trade Discount, Quantity Discount, cash Discount, Discount for Shortage or quality issue discount which are factored while determining transaction price. Revenue is recognised such that significant reversal is not highly probable. The reconciliation between the contract price and revenue recognised is given in note 26.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal amount outstanding and at the effective interest rate. Effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other Operating revenue

Export entitlements are recognized when the right to receive the credits as per the terms of the scheme is established in respect of exports made by the company and when there is no significant uncertainty in receiving the same.

Insurance Claim

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xv) Dividend:

The Company recognises a liability for dividends to equity holders of the Company when the dividend is approved by the shareholders. A corresponding amount is recognized directly in equity.

(xvi) Foreign Currency transactions and translations:

Functional currency of the Company is Indian rupee. The financial statements have been presented under its functional currency. Any transaction that is denominated in a currency other than the functional currency is regarded as foreign currency transaction. All foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. In case of consideration received or paid in advance, the exchange rate prevailing on the date of receipt or payment of advance is considered when subsequently the related asset is given up or received to the extent of advance consideration.

At the end of the reporting period:

1. foreign currency monetary items are translated using the exchange rate for immediate delivery at the end of the reporting period;
2. non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
3. non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

(xvii) Goods & Service tax:

Goods and Service Tax credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

Goods and Service Tax credits so taken are utilized for payment of GST Liability on Sale of on goods . The unutilized GST credit is carried forward in the books.

(xviii) Employee Benefits:

i. Short term employee benefits:

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

ii. Post employment benefits:

a) Defined contribution plan:

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

b) Defined benefit plans:

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

iii. Other long term employee benefits:

Other long term employee benefits comprises of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the project unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Remeasurement of leave encashment towards un-availed leave and compensated absences are recognized in the statement of profit and loss except those included in cost of assets as permitted in the period which they occur.

(xix) Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xx) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

(xxi) Taxes on Income :

a) Current tax:

Current Tax includes provision for income tax computed at the tax rate applicable as per Income Tax Act, 1961. Tax on profit for the period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provision of the relevant tax laws and based on expected outcome of assessments / appeals.

b) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(xxii) Segment reporting:

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 39 for segment information presented.

(xxiii) Leases :

The Company determines an arrangement as a lease based on the substance of the arrangement after assessing whether the arrangement is dependent on the use of specific asset or assets and whether the arrangement conveys a right to use the asset or assets. The Company classifies all leases into finance and operating leases at the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. The Company has applied accounting for lessees for assets taken on lease. The Company has not given assets on lease.

a) Finance lease as lessee

The Company recognises property leased under finance leases at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are discounted at the interest rate implicit in the lease to calculate present value of minimum lease payments. Initial direct costs are added to the amount recognised as an asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Contingent rents are charged as expenses in the period in which they are incurred.

b) Operating lease as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Where payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, lease expense is recognised based on the contractual lease payments. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(xxiv) Standards issued but not yet effective

As on 30th March, 2019, Ministry of Corporate Affairs vide a notification issued amendments to Ind AS which are effective from 1st April, 2019. Given below is given an explanation of significant amendments and their possible impact on the assets, liabilities and results:

a) Ind AS 116 Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

The company is in the process of evaluating the impact of this Standard.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

c) Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

e) Amendment to Ind AS 23 – Consideration of outstanding specific borrowing in capitalisation rate:-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 23, Borrowing Costs. The amendments clarify that an entity shall exclude from the calculation of capitalisation rate borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The Company is in the process of evaluating the impact of this amendment on the separate financial statements.

Note 3: Property, Plant and Equipment

(Amount in Rs.)

Particulars	Free Hold Land	Buildings	Furniture & Fixtures	Electrical Installation	Computer	Plant & Machinery	Equipments	Vehicles	Total
Gross Carrying Value as on 31-03-2017	425,442,222	166,247,487	5,034,863	110,094,062	595,991	230,648,346	2,350,939	8,773,135	949,187,046
Addition during the year	Nil	735,592	133,970	3,830,121	123,033	13,784,216	538,614	Nil	19,145,546
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(75,911)	Nil	Nil	(75,911)
Gross Carrying Value as on 31-03-2018	425,442,222	166,983,079	5,168,833	113,924,183	719,024	244,356,651	2,889,553	8,773,135	968,256,681
Addition during the year	Nil	Nil	Nil	Nil	114,325	2,447,164	Nil	1,352,733	3,914,222
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(7,213,450)	Nil	(471,318)	(7,684,768)
Gross Carrying Value as on 31-03-2019	425,442,222	166,983,079	5,168,833	113,924,183	833,349	239,590,365	2,889,553	9,654,550	964,486,135
Depreciation as on 31-03-2017	Nil	9,371,437	760,487	7,560,190	217,853	34,167,495	273,701	1,514,866	53,866,030
Addition during the year	Nil	9,457,658	784,783	7,790,547	222,290	31,152,906	623,492	1,515,288	51,546,964
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(9,243)	Nil	Nil	(9,243)
Depreciation Value as on 31-03-2018	Nil	18,829,095	1,545,270	15,350,737	440,143	65,311,159	897,193	3,030,154	105,403,751
Addition during the year	Nil	9,422,922	784,851	7,840,124	193,268	26,349,985	554,954	1,374,185	46,520,290
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(2,135,700)	Nil	(266,651)	(2,402,351)
Depreciation Value as on 31-03-2019	Nil	28,252,017	2,330,121	23,190,861	633,411	89,525,444	1,452,147	4,137,688	149,521,690
Net Carrying Value as on 31-03-2018	425,442,222	148,153,984	3,623,563	98,573,446	278,881	179,045,492	1,992,360	5,742,981	862,852,930
Net Carrying Value as on 31-03-2019	425,442,222	138,731,062	2,838,712	90,733,322	199,938	150,064,921	1,437,406	5,516,862	814,964,445

Note:

- Based on the internal technique evaluation the management has reassessed the total useful life of assets primary consist of Plant & Machinery and Electrical Installation at 28 years as against 15 years provided by the Schedule II of the Companies Act-2013 and based remaining life of the assets has been determined and depreciation is calculated for the year.
- Assets pledged as Security
Refer Note no. 48 for asset Pledged as security by the company.
- Capitalisation of Expense
Refer Note no. 44 for capitalisation of expenses.
- Contractual Obligations
Refer Note 38 for disclosure of Contractual Commitments for the acquisition of Property, Plant & Equipment.

Note 4: Capital Work in Progress

(Amount in Rs.)

Capital Work in Progress Movement	
Balance at March 31, 2017	48,160,593
Addition during the year	58,362,098
Capitalised during the year	(19,145,547)
Balance at March 31, 2018	87,377,144
Addition during the year	49,454,642
Capitalised during the year	(46,520,290)
Balance at March 31, 2019	90,402,496

5 Non Current Investments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in equity shares at fair value through profit and loss		
Non Trade -Quoted		
Equity Shares Of Century Enka Ltd, Of Rs.10/- Each Fully Paid-Up (50 shares as on 31-03-2019 and 50 shares as on 31-03-2018)	12,315	15,068
Equity Shares Of Garden Silk Mills Ltd, Of Rs.10/- Each Fully Paid-Up (50 shares as on 31-03-2019 and 50 shares as on 31-03-2018)	1,000	1,623
Total	13,315	16,691
Aggregate amount of quoted investments	2218	2218
Aggregate market value of quoted investments	13,315	16,691
Aggregate amount of unquoted investments	Nil	Nil
Aggregate amount of impairment in value of investments	Nil	Nil

6 Other Financial Asset

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits		
- Unsecured, considered good	1,596,969	1,596,969
Total	1,596,969	1,596,969

7 Deferred Tax Assets (Net)

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities		
Property, Plant and Equipment	44,522,795	58,997,223
	44,522,795	58,997,223
Deferred Tax Assets		
Carried forward of unused depreciation	4,802,781	6,768,585
Carried forward of unused Tax Credits	34,608,266	48,284,528
Unpaid liability allowable on payment basis u/s. 43B of the Income tax Act, 1961	4,000,831	2,626,136
Provision for doubtful debts	1,110,916	1,317,974
	44,522,795	58,997,223
Net Deferred Tax Assets	Nil	Nil

(Amount in Rs.)

Movements in Deferred Tax Liabilities	Property, Plant and Equipment	Carried forward of unused depreciation	Carried forward of unused Tax Credits	Unpaid liability allowable on payment basis u/s. 43B of the Income tax Act, 1961	Provision for doubtful debts
At April 01, 2017	(60,779,740)	15,526,989	41,490,541	2,329,950	1,432,260
(Charged)/credited:					
- to profit or loss	1,782,517	(8,758,404)	6,793,987	296,186	(114,286)
- to other comprehensive income	Nil	Nil	Nil	Nil	Nil
At 31st March, 2018	(58,997,223)	6,768,585	48,284,528	2,626,136	1,317,974
Charged/(credited):					
- to profit or loss	14,474,428	(1,965,804)	(13,676,262)	1,374,695	(207,057)
- to other comprehensive income	Nil	Nil	Nil	Nil	Nil
At 31st March, 2019	(44,522,795)	4,802,781	34,608,266	4,000,831	1,110,916

Due to uncertainty about taxable income in foreseeable future, deferred tax assets had been restricted to the extent of deferred tax liabilities.

8 Other Non-Current Assets

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances recoverable in Cash or Kind	301,000	106,100
Advances For Property, Plant & Equipment		
- Unsecured, considered good	10,714,285	15,672,818
- Unsecured, considered doubtful	2,445,207	2,445,207
	13,159,492	18,118,025
Less: Provision for doubtful Advances	(2,445,207)	(2,445,207)
	10,714,285	15,672,818
Advances to Suppliers		
- Unsecured, considered doubtful	2,741,971	2,741,971
Less: Provision for doubtful Advances	(2,741,971)	(2,741,971)
	Nil	Nil
Advance Income Tax (Net) (Unsecured, considered good)		
Advance Payment Of Income Tax	5,955,211	15,168,235
Less : Provision for Income Tax	3,394,500	14,187,050
	2,560,711	981,185
Total	13,575,996	16,760,103

Movement Allowance for Doubtful Advances during the year	As at March 31, 2019	As at March 31, 2018
Advances For Property, Plant & Equipment		
Opening Balance	24,45,207	24,45,207
Add: Provision during the year	Nil	Nil
Less: Reversal during the year	Nil	Nil
Closing Balance	24,45,207	24,45,207
Advances to Suppliers		
Opening Balance	27,41,971	27,41,971
Add: Provision during the year	Nil	Nil
Less: Reversal during the year	Nil	Nil
Closing Balance	27,41,971	27,41,971

9 Inventories

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw materials	67,773,418	46,867,688
Work-in-Process	35,005,550	43,881,937
Finished Goods	118,580,888	77,437,465
Stock In Trade	837,056	Nil
Stores & Spare parts	38,486,511	34,456,343
Power & Fuel	7,145,257	46,125
Packing Material	1,833,146	2,402,700
Total	269,661,826	205,092,258

- Inventory of Raw Material includes goods in transit as on 31-03-2019 of Rs.34,18,269 /- (as on 31-03-2018 Rs. 1,30,25,250/-).
- Inventory of Finished Goods Includes goods in transit as on 31-03-2019 Rs. Nil (as on 31-03-2018 Rs.Nil).
- Inventory of Stores & Spare parts Includes goods in transit as on 31-03-2019 Rs. 9,46,919/- (as on 31-03-2018 Rs.1,31,253/-).
- Inventory of Power & Fuel Includes goods in transit as on 31-03-2019 Rs. Nil (as on 31-03-2018 Rs.Nil/-).
- Inventory of Packing Material Includes goods in transit as on 31-03-2019 Rs. Nil (as on 31-03-2018 Rs. 4,54,226/-).
- Inventories pledged as Security with bank for borrowing as on 31-03-2019 of Rs.26,96,61,826/- (as on 31-03-2018 Rs.20,50,92,258/-)

10 Trade receivables

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables (Unsecured, unless otherwise stated)		
Trade Receivable Considered Good - Unsecured	266,210,066	249,824,832
Trade Receivable Considered Good - Secured	120,284,597	120,063,000
Less: Allowance for Expected Credit Loss	386,495	369,888
	386,108,168	369,517,944
Trade Receivable Credit Impaired-Unsecured	19,379,044	3,947,920
Less: Allowance for Expected Credit Loss	3,606,734	3,578,032
	15,772,310	369,888
Total	401,880,478	369,887,832

- i) For details of receivables from firms / private companies in which directors of the company are partners / directors, please refer note no.40.
- ii) The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers. The activity in the allowance for impairment of trade receivables is given below:

Allowance Movement for Trade Receivables	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	39,47,920	43,31,913
Add : Expected credit loss allowance made during the year	45,309	10,92,428
Less : Reversal of allowance made during the year	Nil	14,76,421
Closing Balance	39,93,229	39,47,920

11 Cash & Cash Equivalents

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	308,324	142,578
Bank balance	375,709	3,396,586
Total	684,033	3,539,164

The Current Account balance includes Rs. Nil/- (as on 31-03-2018 Rs. Nil/-) towards unclaimed dividend which have been kept in separate earmarked accounts and no transactions except for the state purpose are done through such account.

12 Other Bank Balances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Earmarked Balances	14,085	157,192
Margin Money Deposit	16,231,735	16,471,208
Total	16,245,820	16,628,400

13 Other Financial Assets (Current)

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Receivable	163,478	158,308
Total	163,478	158,308

14 Current Tax Assets (Net)

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	3,327,092	5,157,041
Less: Provision of Income Tax	Nil	3,394,500
Total	3,327,092	1,762,541

15 Other Current Assets

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to Suppliers	4,268,316	9,309,254
Advances recoverable in Cash or Kind	132,562	249,498
Prepaid Expenses	4,072,490	3,050,491
Loans and Advances to Employees	12,000	20,750
Balances with Statutory Authorities	50,844,978	31,557,281
Total	59,330,346	44,187,274

16 Equity Share Capital

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
[i] Authorised :		
2,75,00,000 (PY.2,75,00,000) Equity shares of Rs.10 each	275,000,000	275,000,000
5,00,000(PY.5,00,000) 8% Non Cumulative Redeemable Preference Shares of Rs. 100 each	50,000,000	50,000,000
Total	325,000,000	325,000,000
[ii] Issued, Subscribed & Paid-up Capital :		
2,71,00,000 (PY.2,71,00,000) Equity shares of Rs.10 each	271,000,000	271,000,000
Total	271,000,000	271,000,000

- (a) Each Equity Shareholder is entitle to vote at the meeting shall unless a poll is demanded be decided on a show of hand and upon show of hands every member entitle to vote and present in person shall one vote, and upon a poll every member entitle to vote and persent in person or by proxy shall have one vote, for every share held by him. The Preference share holders shall not carry any right to vote on any matter except their rights are affected as provided under the provisions of Article of Association and Companies Act,2013.
- (b) In the event of liquidation of the Company, the Preference Share holders will be entitled to receive any of the remaining assets of the company prior to equity share holders, after the distribution of all other preferential amounts. The holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts and preference share capital in proportion to the number of equity shares held by the shareholders.
- (c) Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 & March 31, 2018 is set out below:-

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares at the beginning	27,100,000	271,000,000	27,100,000	271,000,000
Addition	Nil	Nil	Nil	Nil
Deletion	Nil	Nil	Nil	Nil
Shares at the end	27,100,000	271,000,000	27,100,000	271,000,000

- (e) The details of shareholders holding more than 5% shares is set out below.

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% held	No. of Shares	% held
Chiripal Exim LLP	6,235,000	23.01%	5,500,000	20.30%
Devkinandan Corporation LLP	5,357,747	19.77%	5,357,747	19.77%
Chiripal Industries Ltd.	1,514,000	5.59%	1,514,000	5.59%

17 Other Equity

(Amount in Rs.)

Particulars		As at March 31, 2019	As at March 31, 2018
(a) Undistributable Retained Earnings			
	Transferred from Revaluation Reserve	410,893,433	410,893,433
	Closing Balance	410,893,433	410,893,433
Undistributable Retained Earnings: In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of property, plant and equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101 -First time adoption of Indian Accounting Standards. Hence the balance lying in the revaluation reserve as at 01/04/2016 Rs.41,08,93,433/- is transferred to Undistributable Retained Earnings. These retained earnings are not distributable.			
(b) Capital Redemption Reserve			
	Balance as per last financial Statement	50,000,000	50,000,000
	Closing Balance	50,000,000	50,000,000
Capital Redemption Reserve: The Capital Redemption Reserve is created on redemption of preference share capital and it is non-distributable reserve.			
(c) Securities Premium Reserve			
	Balance as per last financial Statement	179,945,013	179,945,013
	Closing Balance	179,945,013	179,945,013
Security Premium Reserve: The amount received in excess of face value of the equity shares is recognised in equity security premium. These reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.			
(d) General Reserve			
	Balance as per last financial Statement	21,177,975	21,177,975
	Closing Balance	21,177,975	21,177,975
General Reserve : The general reserve is created by transfer of profits from retained earnings time to time for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, and the items included in the general reserve will not be reclassified subsequently to profit or loss and it is a distributable reserve.			
(e) Retained Earnings			
	Balance as per last financial Statement	(90,283,741)	(103,610,178)
	Add : Profit for the year	(12,647,611)	12,659,628
	Add : Other Comprehensive income	274,424	666,809
	Net Surplus in the statement of profit and loss	(102,656,927)	(90,283,741)
Retained earnings: The amount of retained earning includes the component of Other Comprehensive Income, which cannot be distributed by the Company as dividend to its equity shareholders. Balance amount is available for distribution to equity share holders.			
	Total	559,359,494	571,732,680

18 Non-Current Borrowings

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Borrowing		
Vehicle Loan	1,648,788	2,032,269
Less : Current maturities of long-term debt (Note: 22)	602,066	1,443,783
Total	1,046,722	588,486
Security :		
Vehicle Loans are secured by Hypothecation of Vehicles.		
Interest:		
Interest on Vehicle Loans are ranging between 8.90% to 10.81% payable on monthly basis.		

Repayment:

Vehicle Loans are repayable in following schedule in monthly instalments as follows:-

(Amount in Rs.)

Particulars	< 1 year	1-2 year	3-5 years	More than 5 years
Vehicle Loan Repayments	602,066	396,737	649,985	Nil

19 Other Non Current Financial Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposit from Dealers	95,663,266	75,163,994
Deferred Income on Deposit from Dealers	12,857,143	24,336,735
Total	108,520,409	99,500,729

20 Current Borrowings

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Borrowing		
Working Capital loan from Bank (Repayable on Demand) #	239,770,141	191,528,790
	239,770,141	191,528,790

Security:

#Working Capital loans are secured by first charge on Book Debt and Stocks, and further secured by personal guarantee of the Promoter Directors and corporate guarantee of the Promoter's Group Companies and also further secured by second charge on fixed assets.

21 Trade payables

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Payable to Micro and Small Enterprise	Nil	Nil
Payable to others		
- Acceptance	Nil	Nil
- Other than Acceptances	405,019,778	375,182,286
	405,019,778	375,182,286

*Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors. The disclosure in respect of the MSMED Act, 2006 has been provided at note 47.

22 Other Current Financial Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Current Maturity of long term borrowings	602,066	1,443,783
Interest accrued but not due on borrowings	8,320	11,970
Unsecured		
Creditors for Property, Plant & Equipment	54,268,847	59,832,847
Employee Benefits Payable	9,428,664	9,034,184
Deposit from Dealers	378,000	10,828,183
Deferred Income on Deposit From Dealers	11,479,592	10,249,636
Forward Contract Liability	407,388	Nil
Total	76,572,877	91,400,603

23 Other Current Liabilities

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance received from customers	836,413	1,026,927
Other Statutory dues	2,222,476	1,455,856
Total	3,058,889	2,482,783

24 Provisions (Current)

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for employee benefits		
For unavailed leave	6,380,873	5,923,368
For Gratuity	1,117,111	519,889
Total	7,497,984	6,443,257

25 Current Tax Liabilities (Net)

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax	Nil	Nil
Less: Advance Payment Of Income Tax	Nil	Nil
Total	Nil	Nil

26 Revenue from operation

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Product		
Finished Goods	2,424,538,844	2,431,332,119
Stock in Trade	60,499,073	66,738,326
	2,485,037,917	2,498,070,445
Other Operating Revenue		
Scrap Sales	4,643,368	7,093,756
Export incentives	Nil	159,660
	4,643,368	7,253,416
Total	2,489,681,285	2,505,323,861

(a) Reconciliation of Revenue recognised in the statement of profit and loss with the Contracted price :-

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Gross Revenue	2,516,324,609	2,540,160,760
	2,516,324,609	2,540,160,760
Less: Discount	26,643,324	34,996,559
Revenue recognised from Contract with Customers	2,489,681,285	2,505,164,201

(b) Reconciliation of Revenue from operation with Revenue from contracts with Customers :-

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operation	2,489,681,285	2,505,323,861
Less: Export incentive	Nil	159,660
Revenue from contracts with Customers	2,489,681,285	2,505,164,201

27 Other Income

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income From Bank	1,100,856	1,079,474
Interest Income From Others	9,981,968	11,741,630
Amortisation of pre received income corresponding to unwinding of financial liability under finance cost	10,249,635	9,151,460
Exchange Rate Difference (Net)	318,066	(739,143)
Allowance for doubtful debts written Back	Nil	1,476,421
Other Income	73,803	413,185
Total	21,724,328	23,123,027

28 Cost of Material Consumed

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Inventory at the beginning of the year	46,867,688	35,733,127
Add: Purchase	1,935,499,115	1,862,466,926
Less: Inventory at the end of the year	67,773,418	46,867,688
Cost of Raw Material Consumed	1,914,593,385	1,851,332,365

29 Purchase of Stock in Trade

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Purchase of stock in trade	61,237,236	64,746,665
Total	61,237,236	64,746,665

30 Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Inventory at the beginning of the year		
Work-in-process	43,881,937	34,631,503
Stock in Trade	Nil	Nil
Finished Goods	77,437,465	60,382,109
	121,319,402	95,013,612
Inventory at the end of the year		
Work-in-process	35,005,550	43,881,937
Stock in Trade	837,056	Nil
Finished Goods	118,580,888	77,437,465
	154,423,494	121,319,402
Decretion / (Accretion) to Goods	(33,104,092)	(26,305,790)

31 Employee Benefit Expense

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salary, Wages & Bonus	102,110,544	97,299,117
Contribution to Provident Fund & Other Funds	6,168,794	5,937,892
Staff welfare Expenses	2,079,334	2,152,869
Total	110,358,672	105,389,878

Ind AS 19 the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2019.

A. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognised in the balance sheet as follows:

(Amount in Rs.)

Particulars		Projected Unit Credit Method	
Period Covered		2018-19	2017-18
A.	Change in defined benefit obligation	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Defined benefit obligation at beginning of period	6,444,605	6,041,055
2.	Service cost		
	a. Current service cost	968,954	963,964
	b. Past service cost	Nil	5,829
	c. (Gain) / loss on settlements	Nil	Nil
3.	Interest expenses	467,100	426,394
4.	Cash flows		
	a. Benefit payments from plan	(339,664)	(241,891)
	b. Benefit payments from employer	Nil	Nil
	c. Settlement payments from plan	Nil	Nil
	d. Settlement payments from employer	Nil	Nil
5.	Remeasurements		
	a. Effect of changes in demographic assumptions	Nil	Nil
	b. Effect of changes in financial assumptions	Nil	(188,988)
	c. Effect of experience adjustments	(377,335)	(561,758)
6.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
7.	Defined benefit obligation at end of period	7,163,660	6,444,605

B.	Change in fair value of plan assets	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Fair value of plan assets at beginning of period	5,924,716	5,806,231
2.	Interest income	464,409	444,313
3.	Cash flows		
	a. Total employer contributions	Nil	Nil
	(i) Employer contributions	100,000	Nil
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	(339,664)	(241,891)
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	(102,912)	(83,937)
5.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
6.	Fair value of plan assets at end of period	6,046,549	5,924,716

C.	Funded status of plan	As at March 31, 2019	As at March 31, 2018
1.	Defined benefit obligation	7,163,660	6,444,605
2.	Fair value of plan assets	(6,046,549)	(5,924,716)
3.	Funded status	1,117,111	519,889
4.	Effect of asset ceiling	Nil	Nil
5.	Net defined benefit liability (asset)	1,117,111	519,889

D.	Components of defined benefit cost	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Service cost		
	a. Current service cost	968,954	963,964
	b. Past service cost	Nil	5,829
	c. (Gain) / loss on settlements	Nil	Nil
	d. Total service cost	968,954	969,793
2.	Net interest cost		
	a. Interest expense on DBO	467,100	426,394
	b. Interest (income) on plan assets	464,409	444,313
	c. Interest expense on effect of (asset ceiling)	Nil	Nil
	d. Total net interest cost	2,691	(17,919)

D. Components of defined benefit cost	Year Ended March 31, 2019	Year Ended March 31, 2018
3. Remeasurements (recognized in other comprehensive income)		
a. Effect of changes in demographic assumptions	Nil	Nil
b. Effect of changes in financial assumptions	Nil	-188,988
c. Effect of experience adjustments	(377,335)	(561,758)
d. (Return) on plan assets (excluding interest income) *	(102,912)	(83,937)
e. Changes in asset ceiling (excluding interest income)	Nil	Nil
f. Total Remeasurements included in OCI	(274,423)	(666,809)
4. Total defined benefit cost recognized in P&L and OCI	697,222	285,065

E. Re-measurement	Year Ended March 31, 2019	Year Ended March 31, 2018
a. Actuarial Loss/(Gain) on DBO	(377,335)	(750,746)
b. Returns above Interest Income	102,912	83,937
c. Change in Asset ceiling	Nil	Nil
Total Re-measurements (OCI)	(274,423)	(666,809)

F. Employer Expense (P&L)	Year Ended March 31, 2019	Year Ended March 31, 2018
a. Current Service Cost	968,954	963,964
b. Net Interest Cost on DBO	2,691	(17,919)
c. Past Service Cost	Nil	5,829
d. Total P&L Expenses	971,645	951,874

G. Net defined benefit liability (asset) reconciliation	As at March 31, 2019	As at March 31, 2018
1. Net defined benefit liability (asset)	519,891	234,826
2. Defined benefit cost included in P&L	971,645	951,874
3. Total Remeasurements included in OCI	(274,423)	(666,809)
4. a. Employer contributions	(100,000)	Nil
b. Employer direct benefit payments	Nil	Nil
c. Employer direct settlement payments	Nil	Nil
5. Net transfer	Nil	Nil
6. Net defined benefit liability (asset) as of end of period	1,117,113	519,891

H. Reconciliation of OCI (Re-measurement)	As at March 31, 2019	As at March 31, 2018
1. Recognised in OCI at the beginning of period	(1,411,749)	(744,940)
2. Recognised in OCI during the period	(274,423)	(666,809)
3. Recognised in OCI at the end of the period	(1,686,172)	(1,411,749)

I. Sensitivity analysis - DBO end of Period	As at March 31, 2019	As at March 31, 2018
1. Discount rate + 50 basis points	(282,265)	(254,827)
2. Discount rate -50 basis points	302,364	272,798
3. Salary Increase Rate + 0.5%	305,018	(275,502)
4. Salary Increase Rate -0.5%	(287,281)	259,610

J.	Significant actuarial assumptions	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Discount rate Current Year	7.60%	7.60%
2.	Discount rate Previous Year	7.60%	7.25%
3.	Salary increase rate	Uniform 6.0%	Uniform 6.0%
4.	Attrition Rate	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages
5.	Retirement Age	60	60
6.	Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
7.	Disability	Nil	Nil

K.	Data	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	No.	335	352
2.	Avg. Age (yrs.)	38	37
3.	Avg. Past Service (yrs.)	7	6
4.	Avg. Sal. Mly (Rs.)	2,115,558	2,054,320
5.	Future Service (yrs.)	22	23
6.	Weighted average duration of DBO	9	9

L.	Expected cash flows for following year	As at March 31, 2019	As at March 31, 2018
1.	Expected employer contributions / Adtl. Provision Next Year	1,025,353	12,035,382
2.	Expected total benefit payments		
	Year 1	663,703	597,105
	Year 2	400,683	402,108
	Year 3	583,003	449,144
	Year 4	775,169	716,968
	Year 5	497,831	426,201
	Year 6 to 10	3,938,053	3,598,237

M.	Composition of plan assets	As at March 31, 2019	As at March 31, 2018
	a. Cash and cash equivalents	Nil	Nil
	b. Equity instruments	Nil	Nil
	c. Debt instruments	Nil	Nil
	d. Real estate	Nil	Nil
	e. Derivatives	Nil	Nil
	f. Investment funds	Nil	Nil
	g. Assets held by insurance company	100%	100%
	h. Other	Nil	Nil
	i. Total	100%	100%

N.	Defined benefit obligation at end of period	As at March 31, 2019	As at March 31, 2018
	Current Obligation	7,163,660	6,444,605
	Non-Current Obligation	Nil	Nil
	Total	7,163,660	6,444,605

SUMMARY

Assets / Liabilities		As at March 31, 2019	As at March 31, 2018
1.	Defined benefit obligation at end of period	7,163,660	6,444,605
2.	Fair value of plan assets at end of period	6,046,549	5,924,716
3.	Net defined benefit liability (asset)	1,117,111	519,889
4.	Defined benefit cost included in P&L	971,645	951,874
5.	Total Remeasurements included in OCI	(274,423)	-666,809
6.	Total defined benefit cost recognized in P&L and OCI	697,222	285,065

B. Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under

Particulars		Projected Unit Credit Method	
Period Covered		2018-19	2017-18
A.	Change in defined benefit obligation	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Defined benefit obligation at beginning of period	5,923,368	5,437,532
2.	Service cost		
	a. Current service cost	2,306,264	2,064,899
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
3.	Interest expenses	425,108	377,957
4.	Cash flows		
	a. Benefit payments from plan	Nil	Nil
	b. Benefit payments from employer	Nil	Nil
	c. Settlement payments from plan	Nil	Nil
	d. Settlement payments from employer	Nil	Nil
5.	Remeasurements		
	a. Effect of changes in demographic assumptions	Nil	Nil
	b. Effect of changes in financial assumptions	Nil	(142,702)
	c. Effect of experience adjustments	(2,273,867)	(1,814,318)
6.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
7.	Defined benefit obligation at end of period	6,380,873	5,923,368

B.	Change in fair value of plan assets	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Fair value of plan assets at beginning of period	Nil	Nil
2.	Interest income	Nil	Nil
3.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	Nil	Nil
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	Nil	Nil
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	Nil	Nil
5.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
6.	Fair value of plan assets at end of period	Nil	Nil

C.	Funded status	As at March 31, 2019	As at March 31, 2018
1.	Defined benefit obligation	6,380,873	5,923,368
2.	Fair value of plan assets	Nil	Nil
3.	Funded status	6,380,873	5,923,368
4.	Effect of asset ceiling	Nil	Nil
5.	Net defined benefit liability (asset)	6,380,873	5,923,368

D.	Components of defined benefit cost	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Service cost		
	a. Current service cost	2,306,264	2,064,899
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
	d. Total service cost	2,306,264	2,064,899
2.	Net interest cost		
	a. Interest expense on DBO	425,108	377,957
	b. Interest (income) on plan assets	Nil	Nil
	c. Interest expense on effect of (asset ceiling)	Nil	Nil
	d. Total net interest cost	425,108	377,957
3.	Remeasurements		
	a. Effect of changes in demographic assumptions	Nil	Nil
	b. Effect of changes in financial assumptions	Nil	(142,702)
	c. Effect of experience adjustments	(2,273,867)	(1,814,318)
	d. (Return) on plan assets (excluding interest income)	Nil	Nil
	e. Changes in asset ceiling (excluding interest income)	Nil	Nil
	f. Total Remeasurements included in OCI	Nil	Nil
4.	Total defined benefit cost recognized in P&L	457,505	485,836

E.	Components of actuarial Loss / (Gain) on obligation	Year Ended March 31, 2019	Year Ended March 31, 2018
	a. Effect of changes in demographic assumptions	Nil	Nil
	b. Effect of changes in financial assumptions	Nil	(142,702)
	c. Effect of experience adjustments	(2,273,867)	(1,814,318)
	d. (Return) on plan assets (excluding interest income)	Nil	Nil
	Net actuarial Loss / (Gain) on obligation	(2,273,867)	(1,957,020)

F.	Employer Expense (P&L)	Year Ended March 31, 2019	Year Ended March 31, 2018
	a. Current Service Cost	2,306,264	2,064,899
	b. Interest Cost on net DBO	425,108	377,957
	c. Past Service Cost	Nil	Nil
	d. Net value of remeasurements on the obligation and plan assets	(2,273,867)	(1,957,020)
	e. Total P&L Expenses	457,505	485,836

G.	Net defined benefit liability (asset) reconciliation	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Net defined benefit liability (asset)	5,923,368	5,437,532
2.	Defined benefit cost included in P&L	457,505	485,836
3	a. Employer contributions		
	b. Employer direct benefit payments	Nil	Nil
	c. Employer direct settlement payments	Nil	Nil
4	Net transfer	Nil	Nil
5	Net defined benefit liability (asset) as of end of period	6,380,873	5,923,368

H.	Reconciliation of OCI (Re-measurement)	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Recognised in OCI at the beginning of period	Nil	Nil
2.	Recognised in OCI during the period	Nil	Nil
3.	Recognised in OCI at the end of the period	Nil	Nil

J.	Significant actuarial assumptions	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	Discount rate Current Year	7.60%	7.60%
2.	Discount rate Previous Year	7.60%	7.25%
3.	Salary increase rate	Uniform 6.0%	Uniform 6.0%
4.	Retirement Age	60	60
5	Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
6	Disability	Nil	Nil

K.	Data	Year Ended March 31, 2019	Year Ended March 31, 2018
1.	No.	335	352
2.	Avg. Age (yrs.)	38	37
3.	Total Leave Balance	4,731	5,029
4.	Total Monthly Encashment Salary (Rs.)	7,625,136	7,044,911

L.	Expected cash flows for following year	As at March 31, 2019	As at March 31, 2018
1.	Expected employer contributions / Addl. Provision Next Year	6,380,873	5,923,368

N.	Defined benefit obligation at end of period	As at March 31, 2019	As at March 31, 2018
	Current Obligation	6,380,873	5,923,368
	Non-Current Obligation	Nil	Nil
	Total	6,380,873	5,923,368

SUMMARY

	Assets / Liabilities	As at March 31, 2019	As at March 31, 2018
1.	Defined benefit obligation at end of period	6,380,873	5,923,368
2.	Fair value of plan assets at end of period	Nil	Nil
3.	Net defined benefit liability (asset)	6,380,873	5,923,368
4.	Defined benefit cost included in P&L	457,505	485,836
5.	Total remeasurements included in OCI	Nil	Nil
6.	Total defined benefit cost recognized in P&L and OCI	457,505	485,836

32 Finance Costs

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Paid to Bank	19,877,679	21,591,059
Interest Paid to Others	391,004	423,284
Unwinding of interest of financial liabilities	10,249,636	9,151,460
Other borrowing cost	6,640,242	8,056,896
Total	37,158,561	39,222,700

33 Depreciation And Amortisation Expense

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation of Property, Plant & Equipment	46,520,290	51,546,964
Depreciation of Intangible Assets	Nil	Nil
Total	46,520,290	51,546,964

34 Other Expenses

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Stores & Spares consumed	35,191,147	29,096,329
Packing material consumed	83,756,794	73,993,849
Electricity & Fuel charges	201,438,480	195,586,572
Repairs To:		
Building	2,282,065	564,089
Machinery	5,245,791	3,809,782
Other	3,985,991	4,197,853
Total	11,513,847	8,571,724
Insurance Expense	1,855,845	1,890,229
Rent	211,500	421,800
Rates & Taxes	674,857	2,061,875
Stationery & Printing Expense	612,369	709,790
Selling & Distribution Expenses	3,193	90,575
Advertisement Expenses	74,340	60,496
Communication Expense	403,880	436,717
Traveling & Conveyance Expense	3,795,944	3,755,988
Corporate Social Responsibility Expenditure	Nil	1,400,000
Legal & Professional Expenses	5,818,607	4,632,946
Freight & Delivery charges	20,994,940	25,074,898
(Increase)/decrease of excise duty on inventory	Nil	(6,486,341)
Auditor's Remuneration:		
Audit Fees	350,000	350,000
In other capacity	Nil	Nil
For Tax Audit	Nil	Nil
Total	350,000	350,000
Allowances for bad and doubtful debts	45,309	1,092,428
Commission paid	2294348	2,220,531
Donation Expense	Nil	59,350
Loss/(Gain) on Sales of Property, Plant & Equipment (Net)	2,900,161	(5,332)
Net gain on investments designated at fair value through profit or loss	3,373	6,287
Loss on fair valuation of Forward Contract	407,391	Nil
General Charges	14,762,531	12,556,438
(including Factory Exps, Laboratory Expense, Office Expenses and Custodial Charges etc.)		
Total	387,108,856	357,577,148

Expenditure on Corporate Social Responsibilities activities

a) Gross amount required to be spent by the Company during the year Rs. Nil/- (Previous year Rs 13,86,491/-)

b) Amount spent during the year:

(Amount in Rs.)

Sr. No	Particulars	In Cash	Yet to be paid	Total
1	On Construction/acquisition of any asset	Nil	Nil	Nil
		(PY. Nil)	(PY. Nil)	(PY. Nil)
2	On Purpose other than (1) above	Nil	Nil	Nil
		(PY 14,00,000 /-)	(PY. Nil)	(PY 14,00,000 /-)

35 Income tax recognised in profit or loss

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax		
In respect of the current year	Nil	3,394,500
	Nil	3,394,500
Deferred tax		
In respect of the current year	Nil	Nil
	Nil	Nil
Short/ (Excess) Provision of Income Tax		
In respect of the prior year	180,316	197,408
	180,316	197,408
Total	180,316	3,591,908

Income tax reconciliation

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit before tax	(12,467,295)	16,251,536
Tax expenses reported during the year	180,316	3,591,908
Income tax expenses calculated at 27.820% (P.Y 33.063%)	Nil	5,373,245
Difference	180,316	(1,781,337)
Permanent disallowances	Nil	95,052
Adjustment recognised in the current year related to prior years expense in relation to:		
– Prior tax expense	180,316	197,408
– Utilised Mat Credit	Nil	(2,112,492)
– Others	Nil	38,695
Total	180,316	(1,781,337)
Effective tax rate	Nil	22.10

36 Statement of Other Comprehensive Income

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
(i) Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit plans		
Actuarial gain/(loss)	274,424	666,809
(ii) Income tax relating to these items that will not be reclassified to profit and loss		
Deferred tax impact on actuarial gain/(loss)	Nil	Nil
Total	274,424	666,809

37 Earning Per Share

(Amount in Rs.)

Particulars	Unit	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit Attributable to Equity Share Holders (Profit after Tax)	Rs.	(12,647,611)	12,659,628
No. of Shares outstanding as on Balance Sheet date	No. of Shares	27,100,000	27,100,000
Weighted Average No. of Shares used as denominator for calculating Basic and Diluted Earning Per Share	Rs.	27,100,000	27,100,000
Nominal Value of Share	Rs.	10	10
Basic and Diluted Earnings per Share	Rs.	(0.47)	0.47

38 Contingent liabilities and Commitments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Income Tax demands disputed in appeal by the Company/ Income Tax Authorities (Against which the Company has paid amount of Rs. 1,23,979/- (31st March, 2018: Rs. 1,23,979/-)	1,141,960	29,304,659
Excise Duty demands disputed in appeal by the Company/ Excise Authorities (Against which the Company has paid amount of Rs. 5,01,472/- (31st March, 2018: Rs. 5,01,472 /-)	207,262,485	207,262,485
Textile Cess Demands disputed pending with Textiles Committee, Government of India, and Ministry of Textiles.	5,090,119	5,090,119
Service Tax demand disputed in appeal by the Company/Authority (Against which the Company has paid amount of Rs. Nil /- (31st March, 2018: Rs. Nil /-)	4,881,130	4,881,130
Claims not acknowledged as debts by the company	112,500	112,500
Show Cause Notices received from various authorities	1,189,019	1,189,019
Gujarat Pollution Control Act	5,164,620	5,164,620
Employees Demands pending before Labor Courts	Amount not ascertainable	Amount not ascertainable
In respect of restructured debts under CDR Mechanism, the banks will have right to recompense in respect of waivers / sacrifice made by them under CDR Restructuring	Amount not ascertainable	Amount not ascertainable
Commitments		
Estimated amount of contracts remaining to be executed on Capital Account. Advance paid against such Contract is Rs. 100,00,000/- (31st March, 2018: Rs. 1,56,72,818/-) which is shown under the head other non current assets	10,000,000	20,684,625

39 Segment Reporting

The Company's management monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and accordingly, based on the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments " and in the opinion of management the Company is primarily engaged in the business of "Textiles". All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

Details of customer contributing 10% or more of total revenue:

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
No. of customers contributing 10% or more of total revenue (individually)	1	1
Amount of revenue	1,127,228,054	1,138,042,797
% of total revenue	45.28%	45.42%

40 Related Party Disclosure
Key Management Personnel

Sr. No	Name	Designation
1	Shri Jyotiprasad Chiripal	Chairman
2	Shri Pooran Singh Mathuria	Whole Time Director
3	Shri Pradip Khandelwal	Chief Executive Officer
4	Shri Satish Bhatt	Chief Financial Officer
5	Shri Chintan Amlani (Upto 29 September, 2017)	Company Secretary
6	Shri Harsh Hirpara (from 11 December, 2017)	Company Secretary

List of Relatives of Key Management Personnel with whom transactions have taken place during the year

Sr. No	Name
1	Chiripal Industries Ltd.
2	Chiripal PolyFilms Ltd.
3	Vishal Fabrics Ltd.
4	Nandan Denim Limited

Transactions with the Related Parties

Compensation to Key Management Personnel

(Amount in Rs.)

Particulars	Transaction during 2018-19	Transaction during 2017-18
Short term employee benefits	6,552,018	6,093,583
Post-employment benefits	69,869	42,961
Other Long-term employee benefits	147,276	28,918
TOTAL	6,769,163	6,165,462

Disclosure in respect of material transactions with related parties during the year

(Amount in Rs.)

Particulars	Transaction during 2018-19	Transaction during 2017-18
Sale of Goods:		
Entities in which KMP/Relative of KMP have control or significant influence		
Chiripal Industries Ltd.	1,086,710	37,748,680
Chiripal PolyFilms Ltd.	1,938,491	2,048,572
	3,025,201	39,797,252
Purchase of Goods:		
Entities in which KMP/Relative of KMP have control or significant influence		
Chiripal Industries Ltd.	10,026,344	Nil
Chiripal PolyFilms Ltd.	1,061,860,002	1,245,283,137
Vishal Fabrics Ltd.	Nil	35,863,086
Nandan Denim Ltd.	Nil	Nil
	1,071,886,346	1,281,146,223
Purchase of Stock in Trade		
Entities in which KMP/Relative of KMP have control or significant influence		
Nandan Denim Ltd.	27,729,150	Nil
Chiripal Industries Ltd.	Nil	8,910,624
Chiripal PolyFilms Ltd.	33,273,734	13,876,658
	61,002,884	22,787,282
Power & Fuel Expense		
Entities in which KMP/Relative of KMP have control or significant influence		
Nandan Denim Ltd.	27,531,661	Nil
	27,531,661	Nil
Rent Expense:		
Entities in which KMP/Relative of KMP have control or significant influence		
Urmila J Chiripal	Nil	120,000
Deepak J Chiripal	Nil	120,000
	Nil	240,000
Donation Expense:		
Entities in which KMP/Relative of KMP have control or significant influence		
Milestone Educom Trust	Nil	1,400,000
	Nil	1,400,000
Remuneration Paid:		
Key Management Personnel		
Shri Pradip Khandelwal	3,216,799	3,077,595
Shri Satish Bhatt	1,095,469	949,947
Shri Pooran Singh Mathuria	1,753,822	1,581,913
Shri Chintan Amlani	Nil	263,323
Shri Harsh Hirpara	485,928	220,805
	6,552,018	6,093,583

Balance outstanding as on respective Balance Sheet date

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016
Trade receivables:		
Entities in which KMP/Relative of KMP have control or significant influence		
Chiripal PolyFilms Ltd.	Nil	538,313
Chiripal Industries Ltd.	Nil	1,080,507
Nandan Denim Ltd	Nil	916,402
	Nil	2,535,222
Advances for Property, Plant & Equipment:		
Entities in which KMP/Relative of KMP have control or significant influence		
Shanti Developers	10,000,000	10,000,000
	10,000,000	10,000,000
Security Deposits:		
Entities in which KMP/Relative of KMP have control or significant influence		
Shanti Polytechnic Foundation	1,050,000	1,050,000
	1,050,000	1,050,000
Advances to Suppliers:		
Entities in which KMP/Relative of KMP have control or significant influence		
Vishal Fabrics Ltd.	250,428	Nil
	250,428	Nil
Trade Payables:		
Entities in which KMP/Relative of KMP have control or significant influence		
Chiripal Industries Ltd.	7,265,294	4,708,297
Chiripal PolyFilms Ltd.	30,346	15,386,728
Urmila J Chiripal	Nil	270,000
Deepak J Chiripal	Nil	120,000
Vishal Fabrics Ltd.	Nil	1,956
Nandan Denim Ltd	9,010,774	161,039
	16,306,414	20,648,020
Creditors for Property, Plant & Equipment:		
Entities in which KMP/Relative of KMP have control or significant influence		
Chiripal Industries Ltd.	53,497,750	53,497,750
	53,497,750	53,497,750
Employee Benefits Payable to Key Management Personnel		
Shri Pradip Khandelwal	242,268	150,272
Shri Satish Bhatt	26,646	39,679
Shri Pooran Singh Mathuria	78,664	63,277
Shri Harsh Hirpara	38,714	36,944
	386,292	290,172

41 Fair Value Measurements

Financial instrument by category and their fair value

(Amount in Rs.)

As at 31st March, 2019	Note reference	Carrying Amount				Fair Value			
		FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	10	Nil	Nil	401,880,478	401,880,478	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	11	Nil	Nil	684,033	684,033	Nil	Nil	Nil	Nil
Other Bank Balances	12	Nil	Nil	16,245,820	16,245,820	Nil	Nil	Nil	Nil
Non Current Investments	5	13,315	Nil	Nil	13,315	13,315	Nil	Nil	13,315
Other Financial Assets									
Non-Current	6	Nil	Nil	1,596,969	1,596,969	Nil	Nil	Nil	Nil
Current	13	Nil	Nil	163,478	163,478	Nil	Nil	Nil	Nil
Total Financial Assets		13,315	Nil	420,570,778	420,584,093	13,315	Nil	Nil	13,315
Financial Liabilities									
Borrowings									
Non Current	18	Nil	Nil	1,046,722	1,046,722	Nil	Nil	Nil	Nil
Current	20	Nil	Nil	239,770,141	239,770,141	Nil	Nil	Nil	Nil
Other Financial Liabilities									
Non Current	19	Nil	Nil	108,520,409	108,520,409	Nil	Nil	Nil	Nil
Current	22	Nil	Nil	76,572,877	76,572,877	Nil	Nil	Nil	Nil
Trade Payables	21	Nil	Nil	405,019,778	405,019,778	Nil	Nil	Nil	Nil
Total Financial Liabilities		Nil	Nil	830,929,927	830,929,927	Nil	Nil	Nil	Nil

Financial instrument by category and their fair value

(Amount in Rs.)

As at 31st March, 2018	Note reference	Carrying Amount				Fair Value			
		FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	10	Nil	Nil	369,887,832	369,887,832	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	11	Nil	Nil	3,539,164	3,539,164	Nil	Nil	Nil	Nil
Other Bank Balances	12	Nil	Nil	16,628,400	16,628,400	Nil	Nil	Nil	Nil
Non Current Investments	5	16,691	Nil	Nil	16,691	16,691	Nil	Nil	16,691
Other Financial Assets									Nil
Non Current	6	Nil	Nil	1,596,969	1,596,969	Nil	Nil	Nil	Nil
Current	13	Nil	Nil	158,308	158,308	Nil	Nil	Nil	Nil
Total Financial Assets		16,691	Nil	391,810,672	391,827,363	16,691	Nil	Nil	16,691
Financial Liabilities									
Borrowings									
Non Current	18	Nil	Nil	588,486	588,486	Nil	Nil	Nil	Nil
Current	20	Nil	Nil	191,528,790	191,528,790	Nil	Nil	Nil	Nil
Other Financial Liabilities									Nil
Non Current	19			99,500,729	99,500,729	Nil	Nil	Nil	Nil
Current	22	Nil	Nil	91,400,603	91,400,603	Nil	Nil	Nil	Nil
Trade Payables	21	Nil	Nil	375,182,286	375,182,286	Nil	Nil	Nil	Nil
Total Financial Liabilities		Nil	Nil	758,200,893	758,200,893	Nil	Nil	Nil	Nil

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There were no transfers between the levels during the year

Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -

1. Quoted price in the primary market considered for the fair valuation of the non current investment i.e Quoted Equity Shares. Gain / (loss) on fair valuation is recognised in profit and loss.
2. The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.

42 Financial risk management

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

- I Credit Risk
- II Liquid Risk
- III Market Risk

Risk Management Framework

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

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

I Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintain its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The provision for doubtful debts including ECL allowances for non-collection of receivables and delay in collection, on a combined basis, was Rs. 39,93,229/- as at March 31, 2019 and Rs. 39,47,920/- as at March 31, 2018. The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

ii) Movement in allowance for bad and doubtful debts

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	3,947,920	4,331,913
Add : Allowance made during the year	45,309	1,092,428
Less : Reversal of allowance made during the year	Nil	1,476,421
Balance at the end of the year	3,993,229	3,947,920

II Liquid Risk

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

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

i) Exposure to Credit Risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(Amount in Rs.)

As At 31/03/2019	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	More than 5 years	Total
Financial Liabilities						
Non Current Borrowings (refer note 18)	1,046,722	Nil	396,737	649,985	Nil	1,046,722
Current Borrowings (refer note 20)	239,770,141	239,770,141	Nil	Nil	Nil	239,770,141
Trade Payables (refer note 21)	405,019,778	405,019,778	Nil	Nil	Nil	405,019,778
Non current financial liabilities (refer note 19)	108,520,409	Nil	12,857,143	95,663,266	Nil	108,520,409
Current financial liabilities (refer note 22)	76,572,877	76,572,877	Nil	Nil	Nil	76,572,877
Total	830,929,928	721,362,797	13,253,880	96,313,251	Nil	830,929,928

(Amount in Rs.)

As At 31/03/2018	Carrying Amount	Contractual Cash Flows				
		< 1 year	1-2 year	3-5 years	More than 5 years	Total
Financial Liabilities						
Non Current Borrowings (refer note 18)	588,486	Nil	1,075,873	Nil	Nil	1,075,873
Current Borrowings (refer note 20)	191,528,790	191,528,790	Nil	Nil	Nil	191,528,790
Trade Payables (refer note 21)	375,182,286	375,182,286	Nil	Nil	Nil	375,182,286
Non current financial liabilities (refer note 19)	99,500,729	Nil	21,729,227	77,771,502	Nil	99,500,729
Current financial liabilities (refer note 22)	91,400,603	91,400,603	Nil	Nil	Nil	91,400,603
Total	758,200,893	658,111,679	22,805,100	77,771,502	Nil	758,688,280

III Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

- a) Currency Risk
- b) Interest Risk
- c) Price Risk

a) Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. Company is exposed to currency risk on account of payables and receivables in foreign currency.

Company does not use derivative financial instruments for trading or speculative purposes.

i) Particulars of foreign currency exposures at the reporting date

(Amount in Rs.)

Particulars	Currency	As at March 31, 2019	As at March 31, 2018
a) Trade Payables	USD	5,088	Nil
	INR	361,410	Nil
	JPY	1,514,585	5,045,030
	INR	946,919	3,104,771
b) Short Term Borrowing	JPY	Nil	4,163,680
	INR	Nil	2,562,328
c) Advance to Supplier	USD	749	3,902
	INR	52,705	251,705
Net Statement of Financial Exposure[inflow(Outflow)]	USD	(4,339)	3,902
	INR	(308,705)	251,705
	JPY	(1,514,585)	(9,208,710)
	INR	(946,919)	(5,667,099)
Total INR		(1,255,624)	(5,415,394)

ii) Foreign Currency Risk Sensitivity

A change of 5% in Foreign currency would have following Impact on profit before tax

No impact for hedged transaction

(Amount in Rs.)

Particulars	2018-19		2017-18	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(15,435)	15,435	12,585	(12,585)
JPY	(47,346)	47,346	(283,355)	283,355
Total	(62,781)	62,781	(270,770)	270,770

b) Interest Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

i) Exposure to interest rate risk

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Rate Instruments		
Financial liabilities		
Non Current	1,046,722	588,486
Current	602,066	1,443,783
Total	1,648,788	2,032,269
Variable Rate Instruments		
Financial liabilities		
Non Current	Nil	Nil
Current	239,770,141	191,528,790
Total	239,770,141	191,528,790

The outstanding position of borrowings at variable interest rate along with proportion of total loans is given below:

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Total Borrowings	241,418,929	193,561,059
% of Borrowings out of above bearing variable rate of interest	99.32%	98.95%

ii) Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
50bp increase would decrease the profit before tax by	1,198,851	957,644
50bp increase would increase the profit before tax by	(1,198,851)	(957,644)

c) Price Risk
i) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii) Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on profit before tax

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Increase 5%	666	835
Decrease 5%	(666)	(835)

43 Capital management

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The gearing ratio at the end of the reporting period was as follows:

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Debt	241,418,929	193,561,059
Cash and bank balances	(16,929,853)	(20,167,563)
Net debt	224,489,077	173,393,495
Equity	830,359,494	842,732,680
Net debt to equity ratio	0.27	0.21

- 44 The following pre-commissioning expenses incurred during the various have been included in of Property, Plant and Equipment / Capital Work in Progress

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Consultancy charges	Nil	1,460,154
Rates & Taxes	Nil	174,000
Other expenses	Nil	106,350
Total	Nil	1,740,504

- 45 **Changes in Liabilities arising from Financial Activities**

(Amount in Rs.)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Opening Balance	758,200,893	763,594,294
Cash inflow of non-current borrowings	1,060,302	Nil
Cash outflow of non-current borrowings	(1,443,783)	(1,427,405)
Changes in current borrowings cash flows	48,241,352	(51,078,234)
Changes in trade payable cash flows	29,837,492	42,585,468
Change in Other current financial liability	(8,825,747)	2,212,399
Change in other non current financial liability	9,019,680	(2,196,350)
Others	(5,160,262)	4,510,721
Closing Balance	830,929,928	758,200,893

- 46 **Details Of Hedged And Unhedged Exposure in Foreign Currency Denominated Monetary Items**

a Exposure in foreign currency - Hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

Currency	Number of Contracts	Buy Amount in Foreign Currency	Indian Rs. Equivalent
Forward contract to buy YEN - As at 31/03/2019	5	16,468,655	10,296,203
Forward contract to buy YEN - As at 31/03/2018	Nil	Nil	Nil

b Exposure in foreign currency - Unhedged

The foreign currency exposure not hedged as at 31st March, 2019 are as under:

Currency	Payable (In FC)		Receivable (In FC)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	5,088	Nil	749	3,902
JPY	1,514,585	9,208,710	Nil	Nil

Currency	Payable (In INR)		Receivable (In INR)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	361,410	Nil	52,705	251,705
JPY	946,919	5,667,099	Nil	Nil

47 Due to Micro and Small Enterprise

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
a) The Principal amount remaining unpaid to Micro and Small enterprise supplier as at the year end	Nil	Nil
b) Interest due thereon	Nil	Nil
c) Amount of interest paid by the Company in terms of section 16 of MSMED Act	Nil	Nil
d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006	Nil	Nil
e) Amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company and the same has been relied by the Auditor.

48 Assets Pledged as Security

The Carrying amount of assets Pledged as Security for Current and non Current borrowing are:

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Assets		
Property Plant & Equipment	905,366,941	950,230,074
Total Non Current Assets pledged as Security	905,366,941	950,230,074
Current Assets		
Inventories	269,661,826	205,092,258
Financial Assets		
Trade Receivable	401,880,478	369,887,832
Cash and cash equivalents	684,033	3,539,164
Loans		
Other Bank Balance	16,245,820	16,628,400
Other Financial Assets	163,478	158,308
Other Current Assets	59,330,346	44,187,274
Total Current Assets pledged as Security	747,965,981	639,493,236
Total Assets Pledged as Security	1,653,332,922	1,589,723,310

- 49 The financial statement are approved for issue by the Audit Committee as at its meeting on 29th May,2019 and by the Board of Directors on 29th May, 2019.
- 50 The board has not recommended dividend for the financial year ended 31st March, 2019.
- 51 In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.
- 52 Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to Rs.Nil/- (Previous Year Rs. Nil/-) is capitalized by the company.
- 53 The Company has entered into certain operating lease agreements and an amount of Rs. 2,11,500/- (P.Y Rs. 4,21,800/-) paid under such agreements has been charged to the Statement of Profit & Loss. These lease are generally non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.
- 54 On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2018-19 (Previous Year Rs.Nil/-)

Signature to notes "1" to "54"

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**

Chartered Accountants

(Firm Regd. No.122377W)

Sd/-

(Samir M Shah)

Partner

(M.No.111052)

Place : Ahmedabad

Date : 29.05.2019

For, **CIL NOVA PETROCHEMICALS LIMITED**

Sd/-

(Jyotiprasad Chiripal)

Chairman

DIN: 00155695

Sd/-

(Satish Bhatt)

Chief Financial officer

Place : Ahmedabad

Date : 29.05.2019

Sd/-

(Pooran Singh Mathuria)

Whole Time Director

DIN: 07430356

Sd/-

(Harsh Hirpara)

Company Secretary

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CIL NOVA PETROCHEMICALS LIMITED

Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal.: Sanand, Ahmedabad – 382201 Gujarat

CIN: L17111GJ2003PLC043354

Contact No. +919825800060, 9825104042 Fax: 91 25055, 251612

Email: investor grievances.cilnova@chiripalgroup.com, website: www.cnpcl.com

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

Name of Member(s)		No. of Shares	
Registered address & Email Id		Folio No.	
		DP ID	
		Client ID	

I / We, being the Member(s) of the Company holding _____ shares, hereby appoint below at sr. no. 1 or failing him sr. no. 2 or failing him sr. no. 3

Sr. No.	Name of Proxy	Address	Email Id	Signature
1				
2				
3				

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 Friday, 27th September, 2019 at 10:30 A..M. at registered office of the Company at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:**CIL NOVA PETROCHEMICALS LIMITED**

Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal.: Sanand, Ahmedabad – 382201 Gujarat

CIN: L17111GJ2003PLC043354

Contact No. +919825800060, 9825104042 Fax: 91 25055, 251612

Email: investor grievances.cilnova@chiripalgroup.com, website: www.cnpcl.com

ATTENDANCE SLIP

Registered Folio No. / DP ID / Client ID:	
Name and Address of Shareholder(s)	
Joint Holder 1	
Joint Holder 2	
Joint Holder 2	

1. I hereby record my presence at the 15th Annual General Meeting of the Company being held on Friday, 27th September, 2019 at 10:30 A.M. at Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201.
2. Signature of the Shareholder/Proxy
3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Sr. No.	Resolution
Ordinary Business	
1.	To receive, consider & adopt Audited Financial Statements of the Company for financial year ended 31 st March, 2019, the Reports of Board of Directors & Auditors
2.	To re-appoint Mr. Pooransingh Mahturia (DIN: 07430356) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3.	To ratify the appointment of M/s. Samir M. Shah & Associates, Chartered Accountants, (FRN: 122377W) as Statutory Auditors.
Special Business	
4.	To Consider and ratify remuneration of Cost Auditor for Financial Year 2019-20.
5.	To Consider and approve material related party Transaction.

Signed on _____ Day of _____ 2019.

Affix Re.1 Revenue Stamp

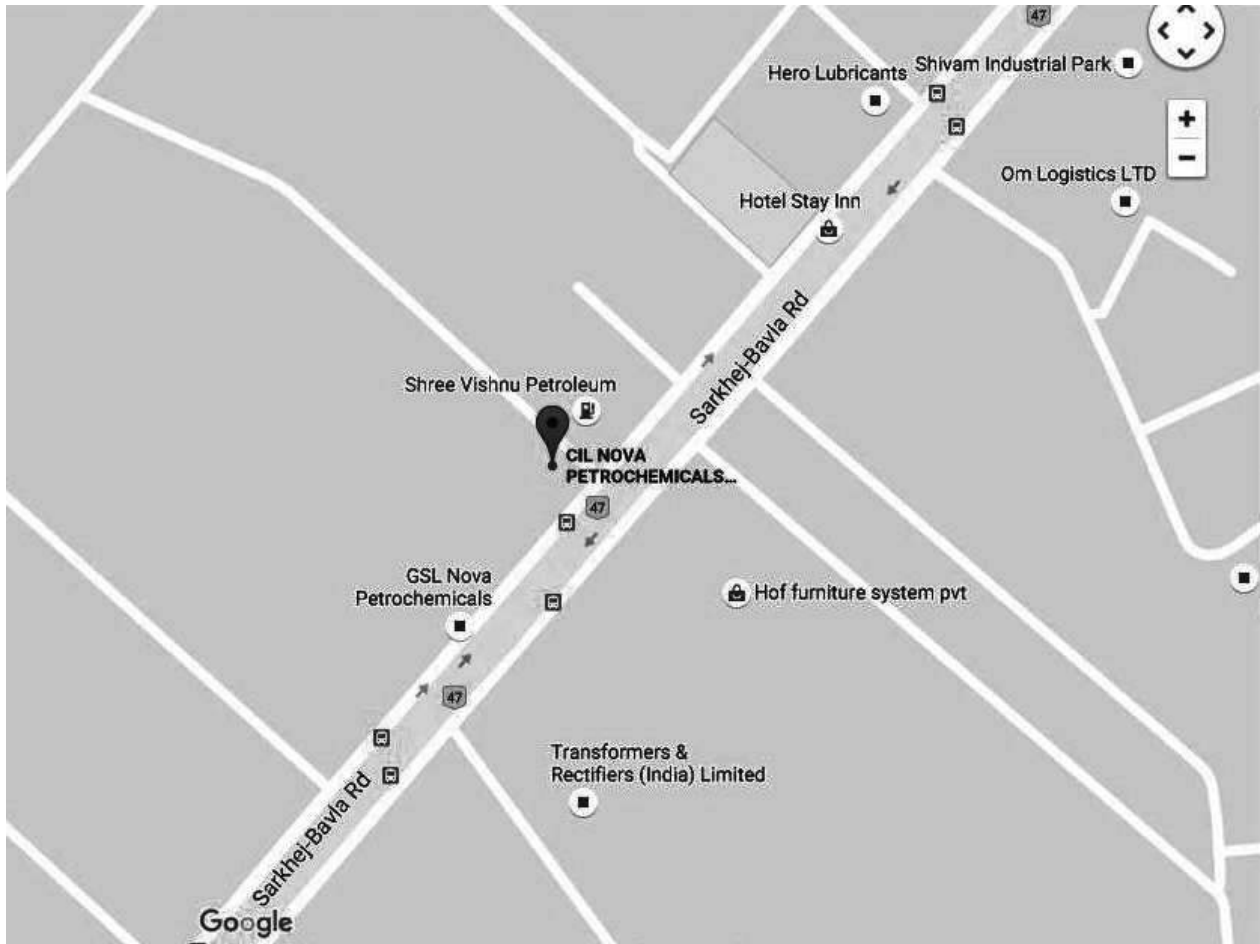
Signature of Proxy Holder

Signature of Member

Notes: The form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not later than 48 hours before the commencement of the Meeting.

Note: Please read the instructions provided in Notice dated 13th August, 2019 of the 15th Annual General Meeting. The Voting period starts from 9.00 a.m. on Tuesday, 24th September, 2019 and ends at 5.00 p.m. on Thursday, 26th September, 2019. The voting module shall be disabled by CDSL for voting thereafter.

ROUTE MAP OF ANNUAL GENERAL MEETING



LANDMARK: SARKHEJ - BAVLA ROAD, VISHNU PETOLPUMP AND OPP. HOF FURNITURE SYSTEM

To,

If undelivered please return to :

CIL NOVA PETROCHEMICALS LIMITED

(Formerly Known as NOVA POLYARN LIMITED)

(CIN: L17111GJ2003PLC043354)

Regd Office :- Survey No. 396(P), 395/4(P), Moraiya Village,
Sarkhej-Bavla Highway, Tal. Sanand, Ahmedabad.

Phone : +91-9825800060, Fax: +91-2717-250556,251612.

Email : investorgrievances.cilnova@chiripalgroup.com

Website: www.cnpcl.com