

COMSYN/BSE/2017-18

Date: 22nd August, 2017

Online Filing at: www.listing.bseindia.com

To,
The General Manager,
DCS-CRD
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street Mumbai- 400001(MH)

BSE Scrip ID: COMSYN BSE Scrip Code: 539986

Subject: Filing of 33rd Annual Report of the Company for financial year ended 31st March, 2017, proposed to be adopted by the Members at ensuing 33rd Annual General Meeting scheduled to be held on Friday, 22nd September, 2017.

Dear Sir/Madam,

We are pleased to submit the 33rd Annual Report of the Company for the financial year ended 31st March, 2017, containing the audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss and Cash Flow for the year ended 31st March, 2017 and the Reports of the Board and Auditors thereon along with all the annexures, to be sent to the Members of the Company by email/physical copy, as may be required.

Kindly note that the 33rd Annual General Meeting of the Members of Company is scheduled to be held on Friday, 22nd September, 2017 at 11:30 A.M. at Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore-452001 (M.P.).

You are requested to please take on record the aforesaid document for your reference and further needful.

Thanking You,
Yours Faithfully,

FOR, COMMERCIAL SYN BAGS LTD.


**CS MEGHA PARMAR
COMPANY SECRETARY &
COMPLIANCE OFFICER**



Encl.: 33rd Annual Report for financial year 2016-17

Commercial Syn Bags Limited

Formerly known as (Commercial Synbags Ltd.)

CIN : L25202MP1984PLC002669

Registered Office : Commercial House, 3-4, Jaora Compound, M.Y.H. Road, INDORE - 452 001, M.P. INDIA

Ph. +91-731-2704007, 4279525 Fax : +91-731-2704130 E-mail : mails@comsyn.com, Visit at : www.comsyn.com

Works : Plot No. "S-4/3, Sector 1, Pithampur Distt. Dhar M.P. INDIA Ph. +91-7292-415151

33rd ANNUAL REPORT
— 2016-17 —



COMSYN

COMMERCIAL SYN BAGS LIMITED

“Weaving strength thread by thread for a better world”



Manufacturer & Exporter of FIBC, PP Fabric, Woven Sacks, Tarpaulin & Flexible Packaging

CHAIRMAN'S MESSAGE ►



Dear Shareholders,

It is my privilege to present the 33rd Annual Report of your Company for the Financial Year ended 31st March, 2017. The Financial Year 2016-17 was eventful from the global, national and company specific perspective. The Company has become listed company of India's most recognized Stock Exchange w.e.f. 14th July, 2017 under the SME Platform, through the Initial Public Issue of 31,92,000 equity shares of Rs. 10/- each at a premium of Rs. 14/- aggregating Rs. 766.08 Lakhs, which has turnaround the confidence achieved as well as its presence in the capital market for enhancement of the value of the shareholders as well as public recognition. This year was full of challenges as well as external dynamics and economical changes that impacted the operational performance of the Company.

The Company has achieved growth of 2.68% in its total revenue from operations. The export continues to contribute 75% of the total turnover. The Company is striving for enhancing its product portfolio and distribution network as well as making all the efforts for expanding its presence in global as well as local market. During the Financial Year 2016-17 profitability was decreased due to increased employee costs and loss incurred amounting to Rs. 52.48 Lakhs on demolition of part of the building due to running expansion at SEZ which was charged to the statement of Profit & Loss in the current Financial Year 2016-17.

During the year your company had also taken some strategic decisions like expansion of Company's SEZ Unit at Pithampur (M.P.) by setting up of complete manufacturing facilities for Food Grade/Pharma Grade Bags and FIBC and the same is in progress. Soon after completion of expansion and full fledged production at SEZ Unit, your company will be able to expand its customer base and cater to the requirements from food grade/pharma grade sections also. However, due to some external factors beyond the control of Management of Company; like scarcity of water and skilled labour supply have affected expansion activities and now it is expected to be completed by end of February, 2018. Management of your company is trying their best to complete the project well within the period mentioned above by end of February, 2018 positively.

Further that the Company has also taken its first move towards utilization of green & renewable energy by installation of Solar Power Generation System at Ujaas Solar Park, Sitamau (M.P.) on 23rd March, 2017. The Electricity as may be generated will be used for captive consumption at Company's Manufacturing Units situated at Pithampur (M.P.) which will result in operational efficiency and reduction in power cost.

Further I am happy to share that during the FY 2016-17 the Company was appointed as Del Credre Agent-cum-Consignment Stockist (DCA-cum-CS) of ONGC Petro-additions Limited (OPaL) for Madhya Pradesh at Indore for a period of 3 years vide its letter dated 30th March, 2017. This will strengthen the presence of your company in domestic market.

Further that I am happy to share that your Company has achieved BRC Certification "Grade A" from Intertek Certifications Limited, (a UKAS accredited body for certification) for meeting the requirements as set out in the BRC Global Standard for Packaging and Packaging Materials Issue 5: July 2015, for Company's separate clean room facilities situated at Unit-I for manufacturing of packaging material to be used for food and nonfood application.

The Company has gained experience of more than 3 decades and is committed to provide best quality products to its customers at all times. The Company will strive to achieve excellent performance in ensuing Financial Year and your company believes that our strategic initiatives will help us to deliver positive results and the Company will achieve targeted growth in long term.

At the close, I would like to thank entire team of COMSYN for their high level of efforts, commitment and dedication.

I would like to place on record my sincere appreciation to the Board of directors for their guidance. I would also like to place on record my heartfelt thanks to all the customers, business associates, suppliers, Bank of Baroda and Bank of India, bankers and authorities of the BSE and SEBI for their support. Lastly, I would like to extend my gratitude towards all our Shareholders for their continuing faith and confidence in the management of the Company and I look forward for their support, trust and confidence.

*With best wishes,
Sincerely,*

Anil Choudhary
Chairman & Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | | |
|----------------------------------|---|--|
| 1. Shri Anil Choudhary | : | Chairman & Managing Director |
| 2. Smt. Ranjana Choudhary | : | Whole-time Director |
| 3. Shri Virendra Singh Pamecha | : | Whole-time Director |
| 4. Shri Hitesh Mehta | : | Independent Director |
| 5. Shri Neetesh Gupta | : | Independent Director
(From 20th June, 2015 to 10th May, 2017) |
| 6. Shri Milind Mahajan | : | Additional Independent Director
(w.e.f. 10th May, 2017) |
| 7. Shri Chintan Pushpraj Singhvi | : | Independent Director |

AUDIT COMMITTEE

- | | | |
|------------------------|---|--------------------------------------|
| 1. Shri Hitesh Mehta | : | Independent Director- Chairman |
| 2. Shri Milind Mahajan | : | Independent Director- Member |
| 3. Shri Anil Choudhary | : | Chairman & Managing Director- Member |

STAKEHOLDERS' RELATIONSHIP COMMITTEE

- | | | |
|------------------------|---|--------------------------------------|
| 1. Shri Milind Mahajan | : | Independent Director- Chairman |
| 2. Shri Hitesh Mehta | : | Independent Director- Member |
| 3. Shri Anil Choudhary | : | Chairman & Managing Director- Member |

NOMINATION AND REMUNERATION COMMITTEE

- | | | |
|----------------------------------|---|--------------------------------|
| 1. Shri Hitesh Mehta | : | Independent Director- Chairman |
| 2. Shri Milind Mahajan | : | Independent Director- Member |
| 3. Shri Chintan Pushpraj Singhvi | : | Independent Director- Member |

CSR COMMITTEE

- | | | |
|---------------------------|---|--|
| 1. Shri Anil Choudhary | : | Chairman & Managing Director- Chairman |
| 2. Smt. Ranjana Choudhary | : | Whole Time Director- Member |
| 3. Shri Hitesh Mehta | : | Independent Director- Member |

CHIEF EXECUTIVE OFFICER

Shri Ravindra Choudhary

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Megha Parmar

CHIEF FINANCIAL OFFICER

Shri Abhishek Jain

CHIEF OPERATING OFFICER

Shri Pramal Choudhary

NAME OF THE STOCK EXCHANGE

(Where the Company's Shares Listed)
 BSE LIMITED – SME PLATFORM
 Phiroze Jeejeebhoy Towers,
 Dalal Street, Mumbai – 400001 (M.H.)
 (w.e.f 14th July, 2016)
 Scrip Id: COMSYN
 Scrip Code: 539986

REGISTERED OFFICE

Commercial House, 3-4, Jaora Compound,
 M.Y.H. Road, Indore-452001 (M.P.)
 CIN: L25202MP1984PLC002669
 Tel : 91 731- 4279525/26
 Email: investors@comsyn.com
 Website: www.comsyn.com

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, (M.H.)
 Tel : + 91-22-6263 8200 - Fax: + 91-22-6263 8299
 Email: investor@bigshareonline.com - Website : www.bigshareonline.com

STATUTORY AUDITORS

M/s Gupta & Ashok
 Chartered Accountants
 203, Sunrise Tower,
 579, M.G. Road, Indore-452001 (M.P.)

SECRETARIAL AUDITORS

M/s Ishan Jain & Co.
 Company Secretaries
 401-402, 4th Floor, Silver Ark Plaza,
 Janjirwala Chouraha, Near Curewell
 Hospital, Indore-452001 (M.P.)

INTERNAL AUDITORS

M/s Dilip Rathor & Co.,
 Chartered Accountants
 Opp. Shrikrishna Talkies, Mandi Road,
 Dhamnod-454552, Dist. Dhar (M.P.)

BANKERS

Bank of India

Indore Main Branch
 1, Pungliya Bhawan Santha Bazar,
 Bajaj Khana Chowk,
 Indore – 452002 (M.P.)

Bank of Baroda

Goyal Nagar Branch,
 373-374 Goyal Nagar,
 Near Bengali Square,
 Indore-452001 (M.P.)

WORKS:

Plot No. S-4/1, S-4/2, S-4/3, S-4/3A
 Sector 1, Pithampur-454774 (M.P.)

Unit II: Plot No. S-2/1, S-3/1, Sector-1,
 Pithampur-454774 (M.P.)

Unit III: Plot No. 309, Sector-1,
 Pithampur-454774 (M.P.)

Unit SEZ: Indore Special Economic Zone
 Plot No. 15 to 18, Phase-1, Sector-III,
 Pithampur-454774 (M.P.)

SOLAR POWER DIVISION: PH No. 36,
 Village Galihara, Tehsil, Sitamau,
 District Mandsaur (M.P.)

TRADING DIVISION WAREHOUSE:
 61/2, Sector F, Sanwer Road, Indore-
 452015 (M.P.)

CONTENTS

Particulars	Page No.
Notice of AGM	03
Board's Report	12
Annexures to the Board's Report	23
Management Discussion and Analysis Report	50
Independent Auditors' Report	53
Balance Sheet	59
Statement of Profit & Loss	60
Cash Flow Statement	61
Notes to Financial Statements	62
Proxy Form	85
Attendance Slip	86
Route Map to the venue of AGM	-----

NOTICE

Notice is hereby given that 33rd Annual General Meeting of the members of COMMERCIAL SYN BAGS LIMITED will be held on Friday, 22nd day of September, 2017 at 11:30 A.M. at Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore-452001 (M.P.), to transact the following businesses:

ORDINARY BUSINESSSES:

1. To receive, consider, approve and adopt the Financial Statements of the Company including the audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow for the year ended March 31, 2017 and the Reports of the Board and Auditors thereon.
2. To appoint a director in place of Shri Anil Choudhary (DIN: 00017913), who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s Gupta & Ashok, Chartered Accountants, Indore (ICAI Firm Registration No. 02254C) as approved by Members at the 30th Annual General Meeting as Statutory Auditor of the Company, to hold office until the conclusion of 35th Annual General Meeting of the Company and authority to the Board to fix the Remuneration for the Financial Year ending on March 31, 2018.

SPECIAL BUSINESSSES:

4. To approve re-appointment of Smt. Ranjana Choudhary (DIN:03349699) as Whole-time Director & KMP for a further period of 5 (Five) Years w.e.f. 01st June, 2017 and in this regard 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 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company the approval of the Members be and is hereby accorded for re-appointment of Smt. Ranjana Choudhary as Whole-time Director of the Company for a further period of 5 years with effect from 1st June, 2017 on the remuneration not exceeding Rs. 3,00,000/- (Rupees Three Lakhs only) per month.

RESOLVED FURTHER THAT in addition of aforesaid remuneration, Smt. Ranjana Choudhary, Whole Time Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

1. Employers Contribution to PF: As per the Rules of the Company.
2. Gratuity: As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Earned Privilege Leave: As per the rules of the Company subject to the condition that the leave accumulated but not availed will be allowed to be encashed for 15 days' salary for every year of completed services at the end of the tenure.
4. Personal Accident Insurance Premium not exceeding Rs. 10,000 per annum.

FACILITIES TO PERFORM THE COMPANIES WORK:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance/car expenses shall be made as per actual on the basis of claims submitted by her.
2. Telephone, Internet & Cell: Free use of telephone, internet at her residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Whole-time Director.

RESOLVED FURTHER THAT in the event of there being any loss or inadequacy of profit for any financial year, the

aforesaid remuneration payable to Smt. Ranjana Choudhary shall be minimum remuneration payable by the Company.

RESOLVED FURTHER THAT there shall be clear relation of the Company with Smt. Ranjana Choudhary as “the Employer-Employee” and each party may terminate the above said appointment with six months’ notice in writing or salary in lieu thereof.

RESOLVED FURTHER THAT Smt. Ranjana Choudhary, Whole Time Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform her duties as per rules of the Company.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of her remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the Company.”

5. To approve appointment of Shri Milind Mahajan (DIN:00155762) as Independent Director for a term of 5 (five) consecutive years w.e.f. 10th May, 2017 and in this regard 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 Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2015 read with Schedule IV of the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Milind Mahajan (DIN: 00155762), who was appointed by the Board as an Additional Director under the category of Independent Director w.e.f. 10th May, 2017, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing candidature of Shri Milind Mahajan (DIN: 00155762), for the office of Director and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years w.e.f. 10th May, 2017 till 09th May, 2022 and his office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as it may have deemed necessary to give effect to above resolution.”

6. To grant approval to keep Company’s Register of Members and other statutory documents and records at the Registered Office and/or with RTA of the Company and in this regard to consider, and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to section 94 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) approval of the members be and is hereby accorded to keep the Company’s register of members, the index of members, the Register and copies of all its annual returns prepared under sections 92 and other applicable provisions, if any, of the act together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act, at other than the place of the Registered Office of the Company and to be maintained by Bigshare Services Pvt. Ltd, Registrar and Share Transfer Agent of the Company, situated at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.”

7. To approve the expenses for service of documents to members and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to the

Board of directors or the person authorized by the Board charge from member(s) fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member(s) for delivery of such document(s) to him through such mode of service as required and the same be provided upon such request in writing along with the requisite fee if has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

RESOLVED FURTHER THAT Board of director and/or any person authorized by the Board be and are hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution.”

Date: 4th August, 2017

Place: Indore

By Orders of the Board of Directors

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

Regd. Office: Commercial House,
3-4, Jaora Compound, M.Y.H. Road,
Indore-452001 (MP)

Megha Parmar
Company Secretary &
Compliance Officer
ACS 37111

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/IES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Shareholder.

The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time fixed for the Meeting. A Proxy form is sent herewith.
3. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
4. The company has notified closure of Register of Members and Share Transfer Books from 15th September, 2017, Friday to 22nd September, 2017, Friday (both days inclusive) for the purpose of the Annual General Meeting.
5. The Management Discussion and Analysis Report also forms part of this Annual Report.
6. Members seeking any information are requested to write to the Company by email at investors@comsyn.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
7. Members are requested to immediately notify any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra having email Id investor@bigshareonline.com to receive the soft copy of the annual report and all other communication and notice of the meetings etc., of the Company.
8. Electronic copy of the Annual report for the year 2016-17 is being sent to the members whose email IDs are registered with the Share Transfer Agent of the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.

9. Members may also note that the Annual Report for the year 2016-17 is also available on Company's website www.comsyn.com.
10. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to section 113 of Companies Act, 2013 are requested to send a duly certified copy of the relevant Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.
11. Relevant documents referred to in the accompanying the Notice are open for inspection by the members at the Registered Office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M. up to the date of the Annual General Meeting.
12. Members/proxies/ authorized representatives are requested to bring the duly filled and signed attendance slip attached with this report and copy of Annual Report with them to attend the Meeting.
13. The Register of Directors, Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
14. The Register of Contracts or Arrangements, in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 and will be available for inspection by the members at General Meeting.
15. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as the transferor(s) shall furnish a copy their PAN to the Share Transfer Agent for registration of transfer of securities.
16. Members may also note that the Notice of 33rd Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2016-17 will also be available on the website of Company www.comsyn.com for their download.
17. The Brief profile of the director seeking appointment / re-appointment at the ensuing annual general meeting is annexed herewith the Notice.
18. The Route Map of the venue of AGM is given at the last page of Annual Report.

19. Voting through electronic means

- I. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
- IV. The remote e-voting period commences on 19th September, 2017, Tuesday (09.00 A.M. IST) and ends on 21st September, 2017, Thursday (05.00 P.M. IST). During this period, members of the Company, holding shares as on the cut-off date i.e. 15th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com//>
- (iii) Click on Shareholder - Login
- (iv) Put your user ID and password. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Name of the company".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ishan1619@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

REVEN (Remote E Voting Event Number)	USER ID	PASSWORD/PIN
--------------------------------------	---------	--------------

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.

If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com

V. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

VI. In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15th September, 2017.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15th September, 2017 for eligible of the Notice and the Annual Report, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or upadhya@bigshareonline.com
- X. However, a member is already registered with NSDL for remote e-voting then; he can use his existing user ID and password for casting his vote. If a member forgot his password, he can reset his password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. CS Ishan Jain, Practicing Company Secretary (ACS No. 29444 CP 13032) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting by using "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. However, no remote e-voting facility shall be made available at the venue of the AGM.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.comsyn.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

Item No. 4:

Smt. Ranjana Choudhary (DIN: 03349699) was appointed as Whole-time Director at the Extra Ordinary General Meeting of the Members held on 30th May, 2012 for a term of 5 years w.e.f. 01st June, 2012 till 31st May, 2017. Therefore, she needs to be re-appointed by the Company for a further term of 5 (Five) years w.e.f. 01st June, 2017 till 31st May, 2022.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 09th March, 2017, considered and approved the re-appointment of Smt. Ranjana Choudhary on the terms, conditions and remuneration as set out in the Item No. 4. The brief profile of Smt. Ranjana Choudhary is given hereunder the details of the directors seeking Appointment/Re-appointment.

Smt. Ranjana Choudhary, being appointee may be considered as financially interested to the extent of the remuneration as

may be drawn by her and Shri Ravindra Choudhary, CEO & KMP, being the relative of appointee is interested otherwise in the resolution. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolutions in any manner. Mrs. Ranjana Choudhary held 221600 shares, consisting of 1.88% of the total paid up capital of the Company. The Board recommends the Resolution as set out in Item No. 4 of this Notice for approval of Members.

Item No. 5:

The Nomination and Remuneration Committee and Board of Directors at their meeting held on 10th May, 2017 have appointed Shri Milind Mahajan (DIN: 00155762) as an Additional Director under the category of the Independent Director of the Company pursuant to Section 161 of the Companies Act, 2013; subject to the approval of Members at General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit amount proposing the candidature of Shri Milind Mahajan for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 and rules made thereunder. The Company has received from Shri Milind Mahajan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution set out in Item No. 5 seeks the approval of members for the appointment of Shri Milind Mahajan as an Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. 10th May, 2017 till 09th May, 2022; pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

His office shall not be liable to retire by rotation. The brief profile of Shri Milind Mahajan is given hereunder the details of the directors seeking Appointment/Re-appointment.

In the opinion of the Board of Directors, Shri Milind Mahajan proposed to be appointed as Independent Director fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

No director, key managerial personnel or their relatives, except Shri Milind Mahajan, being the appointee, is interested or concerned in the resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of Members.

Item No. 6

As per provisions of section 94 of the Companies Act, 2013 ("the Act"), the Register of members, the index of members, the register and copies of all annual returns prepared under sections 92 of the Act together with the copies of certificates and documents required to be annexed thereto shall be kept at the Registered Office of the Company or with the approval of the members at any place other than the Registered office of the Company. The Special resolution at Item No. 6 is proposed for the purpose of enabling the Company to keep the records of Register of members, index thereof by Bigshare Services Private Ltd, Registrar and Share Transfer Agent of the Company, situated at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra as stated in the resolution. A copy of the proposed special resolution set out in item No.6 will be delivered to the Registrar of Companies.

None of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution financially or otherwise.

The Board recommends the Special Resolution as set out in Item No. 6 of this Notice for approval of Members.

Item No. 7

As per the provisions of section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to subsection (2) of section 20 states that a member may

request for delivery of any document through a particular mode, for which member shall pay such fees in advance as may be determined by the company by ordinary resolution. Accordingly, the Board of Directors has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery as may be decided by the Board or the authorized person from time to time.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in the resolution.

Date: 4th August, 2017

By Orders of the Board of Directors

Place: Indore

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

Regd. Office: Commercial House,
3-4, Jaora Compound, M.Y.H. Road,
Indore-452001 (MP)

Megha Parmar
Company Secretary &
Compliance Officer
ACS 37111

**BRIEF PROFILE AND PARTICULARS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT
IN THE ENSUING ANNUAL GENERAL MEETING**

Annexure to Item No. 2, 4 & 5 of the Notice:

Name of Directors	Shri Anil Choudhary	Smt. Ranjana Choudhary	Shri Milind Mahajan
Designation	Chairman & Managing Director	Whole-time Director	Additional Director appointed under the category of Independent Director
Director Identification Number (DIN)	00017913	03349699	00155762
Date of Birth	03.12.1958	04.05.1981	12.10.1966
Date of Appointment (previous)	Re-appointed as Chairman & Managing Director w.e.f. 20th February, 2016 for a period of 5 years subject to liable to retire by rotation.	Appointed as Whole Time Director w.e.f. 01/06/2012 for a period of 5 years subject to liable to retire by rotation.	Appointed as Additional Director under the Category of Independent Director w.e.f. 10th May, 2017, subject to approval of members for a period of 5 Years, not liable to retire by rotation.
Expertise/Experience in specific functional areas	He has an experience of more than three decades in plastic packaging industry.	She has more than 5 years of experience in the field of administration, management and plastic packaging industry	He has vast experience in the field of business management, e-governance and IT-enabled services.
Qualification	B.Sc., M.A., Diploma in Marketing Management	B.Com, Masters Degree in Computer Management from North Maharashtra University, Jalgaon, (M.H.)	Post Graduate in Management from Devi Ahilya University, Indore (M.P.) and Bachelor of Engineering (Electronics) from Pune University, Pune (M.H.)

No. & % of Equity Shares held	3.80 %, holding 4,49,200 equity shares of Rs.10/- each as at 31st March, 2017	1.88%, holding 2,21,600 equity shares of Rs.10/- each as at 31st March, 2017	Nil
List of outside Company's directorship held	ABA Realbuild Private Limited Indian Plast Pack Forum	Mohra Infratech Private Limited	Midwest Autosales Private Limited Udan Airways Private Limited Supreme Airlines Private Limited Sky Masters Pvt. Ltd. Mirash Infotech Private Limited Sunsys Energy & Infrastructures India Private Limited The Madhya Pradesh Flying Club Limited
Chairman / Member of the Committees of the Board of Directors of Commercial Syn Bags Limited	Chairman -CSR Committee Member-Audit Committee Member - Stakeholders' Relationship Committee	Member-CSR Committee	Chairman-Stakeholders' Relationship Committee Member-Audit Committee Member-Nomination & Remuneration Committee
Chairman / Member of the Committees of the Board, Directors of other Companies in which he is director	-	-	-
Disclosures of relationships between directors inter-se.	Nil	Nil	Nil

Brief Resume:

Shri Anil Choudhary, aged 59 years is the Promoter, Chairman & Managing Director of the Company. He has been the director of Company since incorporation. He has an experience of more than three decades in plastic packaging industry. He is entrusted with the responsibility of looking after the overall management and operations of the Company. He is the guiding force behind the strategic decisions of the COMSYN and has given his significant contribution and support in managing the business affairs for the growth and success of the Company.

Smt. Ranjana Choudhary, aged 36 years, Whole-time Director of the Company is a graduate in Commerce and Masters in Computer Management from North Maharashtra University, Jalgaon. She has an experience of more than five years in administration, management and plastic packaging industry. She looks after day to day affairs and general business activities of the Company.

Shri Milind Mahajan, aged 51 Years, is an energetic, focused and organized personality having vast experience in the field of business management, e-governance and IT-enabled services. He is currently managing his own business as Director of Mirash Infotech Pvt. Ltd., Indore since 1997 which is a Large Scale Variable Data Printing and E-governance Company and among the leading companies of Central India. He is also the Director and Honorary Secretary of the Madhya Pradesh Flying Club Limited, a non-profit venture aided by Ministry of Civil Aviation, Government of India.

BOARDS' REPORT

To,
 The Members
Commercial Syn Bags Limited

The Directors take pleasure in presenting the 33rd Annual Report together with the audited financial statements for the year ended March 31, 2017.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

- Total revenue for the year was Rs. 12098.16 Lakhs as compared to Rs. 11782.40 Lakhs increased by 2.68%
- Revenue from operations for the year was Rs. 11901.47 Lakhs as compared to Rs. 11721.35 Lakhs in the previous year, increased by 1.54%
- Profit before tax for the year was Rs. 758.84 Lakhs as compared to Rs. 813.80 Lakhs in the previous year, decreased by 6.75%
- Profit after tax for the year was Rs. 531.70 Lakhs as compared to Rs. 592.92 Lakhs in previous year in the previous year, decreased by 10.33%.

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. in Lakhs)

Particulars	Year ended	
	31.03.2017	31.03.2016
Total Revenue (Revenue from operations and other income)	12098.16	11782.40
Profit Before Tax (PBT)	758.84	813.80
Provision for Tax	(227.14)	(220.88)
Profit After Tax (PAT)	531.70	592.92
Balance brought forward from previous year	1892.20	1526.83
Less: Utilized during the year for issuing bonus shares	0.00	(217.88)
Less: Write off Registration fee & Stamp duty paid on increase in authorized share capital	0.00	(9.68)
Less: Prior Period Taxations	(0.02)	0.00
Surplus carried to the next year's account	2423.88	1892.20
Earning per share	4.87	6.87

STATE OF THE COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

The Company is carrying business of manufacturer, producers, processors, importers, exporters, buyers and sellers of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. from its Plants located at Pithampur, District Dhar, (M.P).

During the year under review, there has been no change in the nature of the business of the Company, except that it has installed the Solar Power Project in Sitamau, Dist. Mandsaur (M.P.) on 23rd March, 2017 and the powers to be generated will be used for captive consumption.

Updates on Ongoing Projects:

1. Expansion of Company's SEZ Unit situated at Pithampur (MP) :

The Board of Directors at their meeting held on 19th August, 2016 has approved the expansion plan of Company's SEZ Unit situated at Pithampur (M.P.) with the total estimated investment of Rs. 2810 Lakhs. The brief details and updates on the aforesaid capacity addition/expansion are as follows:

1. The company is in the process of expanding its operations at Unit SEZ situated at Pithampur (M.P.) by setting up of complete manufacturing facilities by installation of Tape Line and Looms with clean room facilities for manufacturing of food grade jumbo and FIBC bags. The project was estimated to be completed by July, 2017.
2. However, due to the reasons as listed below, the SEZ expansion/capacity addition is delayed by 7 Months and now is expected to be completed by end of February, 2018 positively.

Reasons for delay:

1. There was delay in tendering process for selection of the competent contractor suitable to our scale for construction of building.
2. Scarcity of water for construction during the summer season and also non-availability of water from MPAKVN has affected the on-going construction activities.
3. Shortage of Labour at contractor end has also affected the pace of construction.
4. Delay in supply of cement and steel in SEZ during the transition phase of implementation of GST.

The delay in completion of the project was due to the external factors which were beyond the control of management of the Company. However, the company is trying to complete the project well within the period mentioned above i.e. by end of February, 2018 positively. The aforesaid delay will not affect the existing business activities of the Company as such.

2. Installation of Solar Power Generation System at Ujaas Solar Park, Sitamau, Madhya Pradesh

The Company has installed 1.0 MW [1.2 MW peak (p)] Solar Power Generating System and installation work completed on 23rd March, 2017 at Ujaas Solar Park, Sitamau, (MP) with the total investment of Rs. 588.88 Lakhs. The electricity generated through Solar Power Generating System will be used as captive consumption for Company's Manufacturing Units situated at Pithampur (MP) from June, 2017 onwards. This is the first move of the Company towards utilization of green & renewable energy, **"a way towards go green initiative"**.

3. Appointment of the Company as Domestic Channel Partners of OPaL for Polymers (PE/ PP) for a period of 3 years

ONGC Petro-additions Limited (OPaL) vide its Letter No.: OPaL/CP/LOA/27 dated 30th March, 2017, has appointed Commercial Syn Bags Ltd. as its Del Credre Agent-cum-Consignment Stockist (DCA-cum-CS) for Madhya Pradesh at Indore location, for a period of 3 (three) years.

Achievements:
1. Award winner for being one of the Top Performers in SME Segment of BSE:

The Company has been awarded by BSE Limited for being one of the top performers in SME Segment of BSE. at Diwali Muhurat Trading function and Felicitation of Top Volume Performers Programme of BSE held on October 30, 2016, at Mumbai.

2. Honored for being one of the Exporters having long standing association with ECGC:

The Company has been honored by ECGC Limited for continuous and long standing association with ECGC as an Exporter at Diamond Jubilee Celebrations Programme of ECGC held on 23rd January, 2017 at Indore.

3. Receipt of Certificate of recognition as "Two Star Export House" under Foreign Trade Policy 2015-2020:

The Company has received Certificate of Recognition as "Two Star Export House" for a period of 5 years w.e.f. 05.11.2016 to 04.11.2021 in accordance with the provisions of the Foreign Trade Policy, 2015-2020, from Directorate General of Foreign Trade, Ministry of Commerce & Industry, GOI vide Certificate dated 10th Feb., 2017 which was received by the Company on 14th Feb., 2017.

4. Receipt of BRC Certificate (Grade A) from Intertek Certifications Limited for Company's Unit-I situated at Pithampur:

Company's Unit-I situated at Shed No. S-4/1, Sector-1, Pithampur Distt. Dhar, (MP)-454774 has achieved "Grade A" Certificate from Intertek Certifications Limited, (a UKAS accredited body for certification) for meeting the requirements as set out in the BRC Global Standard for Packaging and Packaging Materials Issue 5: July 2015, for separate clean room facilities situated at Unit-I for manufacturing of packaging material to be used for food and non food application.

The BRC Certificate was issued on 16th February, 2017 and is valid upto 15th February, 2018.

CREDIT RATING:

CRISIL Limited vide their letter number CSBL/170271/BLR/021700450 dated 14th February, 2017; have reaffirmed the following ratings to the bank loan facilities of Rs. 62.55 Crores availed by the Company:

Total Bank Loan Facilities Rated	Rs.62.55 Crore (Enhanced from Rs.44.00 Crore)
Long Term Rating	CRISIL BBB/Stable (Reaffirmed)
Short-Term Rating	CRISIL A3+ (Reaffirmed)

The rating was valid only till 31st March, 2017. The abovementioned rating was further re-affirmed by CRISIL Limited vide their letter number CSBL/170271/BLR/021700450/1 till 31st March, 2018.

DIVIDEND

To strengthen the financial position and funding to the ongoing projects of the Company, no dividend is recommended by the Board for the Financial Year 2016-17. (Previous year Nil)

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017.
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the Annual Accounts on a going concern basis;
- that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2017 was Rs. 1181.74 Lakhs divided into 118,17,400 equity shares of Rs. 10/- each. During the year under review the Company has issued and allotted 31,92,000 fully paid-up Equity Shares to successful applicants under its Initial Public Offer as per Prospectus dated 23rd June, 2016. The Company has not issued shares with differential voting rights or granted stock options or sweat equity.

PUBLIC ISSUE OF THE EQUITY SHARES AND LISTING ON BSE SME PLATFORM:

During the year under review the Company has issued prospectus to the general public on 23rd June, 2016 for making public issue of 31,92,000 Equity Shares of Rs. 10/- each at a premium of Rs. 14/- per share aggregating Rs. 766.08 Lakhs and the issue was successfully oversubscribed by 6.76 times and has made allotment of 31,92,000 equity shares on 12th July, 2016 and the company's entire post issue capital of Rs. 1181.74 Lakhs divided into 1,18,17,400 Equity Shares of Face Value of Rs. 10/- each were listed at the BSE SME Platform on 14th July, 2016.

Your Directors place their sincere thanks to all the investors and the BSE, SEBI, Merchant Bankers and all the agencies for their guidance and support. The Company's equity shares are regularly being traded at the floor of the BSE SME Platform and as on 31st March, 2017 closing price was Rs. 59.00/- per equity share.

Statement for utilization of Public Issue Proceeds for the year ended on 31st March, 2017 and Declaration regarding no deviation(s)/variation(s) from the objects stated in prospectus:

The Company has generated IPO funds of Rs. 766.08 Lakhs for the purposes and objects to make repayment of the secured and unsecured loans and working capital needs as per the prospectus dated 23rd June, 2016. The Company submits the following statements towards the utilization of the issue proceeds as under:

S. N.	Category wise variation (Purpose for raising of funds through public issue)	Amount raised in public issue for the object mentioned in Prospectus	Actual Utilization of Issue Proceeds till 31st March, 2017	Balance Amount to be utilized as on 31st March, 2017	Deviation(s)/ Variation(s), if any
1.	Repayment of Secured and Unsecured loans	402.76	402.76	Nil	Nil
2.	Working Capital Requirements	313.32	313.32	Nil	Nil
3.	Issue Expenses	50.00	50.02	Nil	*0.02
	Total	766.08	766.10	Nil	0.02

*Excess Issue Expenses to the extent of Rs. 0.02 Lakhs have been incurred from internal resources.

As per Regulation 32 of SEBI (LODR) Regulations, 2015, we hereby confirm that public issue proceeds have been fully utilized and there is no deviation/variation in actual utilization of public issue proceeds from the objects as stated in the Prospectus dated 23rd June, 2016.

CHANGE IN THE NAME OF THE COMPANY

The Name of Company has been changed from Commercial Syn-Bags Limited to Commercial Syn Bags Limited by the special resolution passed at the Extra Ordinary General Meeting held on 15th March, 2016 and the Company has obtained a fresh certificate of incorporation to effect the change in name from the Registrar of Companies on 18th May, 2016.

Further that in view of the Company's shares were listed at the BSE under SME Platform the CIN has been modified from U25202MP1984PLC002669 to L25202MP1984PLC002669 to have status of listed company in MCA database.

TRANSFER TO RESERVES

During the year under review the company has not transferred any amount to the general reserves. However the Company has received security premium amount of Rs. 446.88 Lakhs in the public issue of 31.92 Lakhs equity shares of Rs. 10/- each at a premium of Rs. 14/- per share allotted on 12th July, 2016 and transferred the same to Securities Premium Reserves. Further that the Company has utilized the amount of Securities Premium Reserves to the extent of Rs.40.35 Lakhs for the purpose of writing off public issue expenses.

FINANCE

Cash and cash equivalent as at 31st March, 2017 is Rs. 32.08 Lakhs (Previous year Rs. 26.27 Lakhs).Your Company continues to focus on management of its working capital. Receivables, inventories and other working capital parameters are kept under continuous monitoring.

During the year under review the Company has obtained approval for the financing of the proposed new project for expansion of SEZ Unit by way of Term Loan amounting to Rs. 1900.00 Lakhs from Bank of India. Further that the Term Loan amounting to Rs. 420.00 Lakhs was also obtained from the Bank of Baroda for Company's Solar Division. The Company would be able to meet out its financial requirements for the short term and long term working capital as well as for expansion plans.

Your directors place on record their appreciation to Bank of India and Bank of Baroda for providing timely financial support.

DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2017. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not provided any loan and guarantees and also not made any investment pursuant to Section 186 of the Companies Act, 2013.

CSR INITIATIVES

In view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2016-17 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken various activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as "**Annexure A**".

OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved positive engagement of personnel on the plant at every level. With regard to contractor safety, two key areas of focus were identified, namely Facility Management for the contractors' employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management Program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company's objectives to ensure 'Zero Harm'.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

('Act') and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2016-17	No. of complaints filed during the F.Y. 2016-17	No. of complaints pending as at the end of F.Y. 2016-17
Sexual Harassment	Nil	Nil	Nil

Since, there is no complaint received during the year which is appreciable as the management of the company endeavor to provide safe environment for the female employees of the company.

RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

The Company is operating in manufacturing and trading of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. The major risks factors involved in the manufacturing and trading process is constantly maintaining high quality standards, fluctuations in the price of raw materials, risks from International competitors, fluctuations in currency rates, etc. Other than this, the Government Policy, local area authority, Taxation Policy may adversely affect the profitability of the Company subject to various process and clearance etc. as may be decided by the concerning State Government. Further, general market conditions relating to the demand, supply, and price relating to the products of the company also affect the business operations of the Company.

Internal Financial Control & its effectiveness

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed Internal Auditors and the scope and authority of the Internal Audit (IA) function is defined in the procedure and appointment letter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit and process the company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board

Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism named vigil mechanism/whistle blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are annexed to the Board Report as "**Annexure B**" and are also posted on the website of the Company.

(Link-http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_Vigil-Mechanism-Whistle-Blower-Policy.pdf)

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY

The Company does not have any subsidiary, associate or joint venture during the financial year 2016- 17 as well as at the beginning or closing of the financial year therefore the financial statement is prepared on standalone basis and the requirement for disclosure in the Form AOC-1 is not applicable. Further that the Company is an associate of Super Sack Pvt. Ltd. which is holding 31,14,000 equity shares representing 26.35% of total paid up equity share capital of the Company as on 31st March, 2017. Due to increase in the paid up capital of the Company, the percentage of the shares held by the associate company was reduced from 36.10% to 26.35%.

BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

Constitution of the Board

The Board of directors are comprising of total 6 (Six) Directors, which includes 3 (Three) Independent and 1 (One) Women director. The Chairman of the Board is promoter and Managing Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision making process and provide guidance to the executive management to discharge their functions effectively.

Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having total 6 directors in the Board out of them the following directors are independent directors;

1. Shri Hitesh Mehta

2. Shri Neetesh Gupta (From 20.06.2015 to 10.05.2017)
3. Shri Milind Mahajan (w.e.f. 10.05.2017)
4. Shri Chintan Pushpraj Singhvi

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years, but shall be eligible for re-appointment on passing of a special resolution by the Company and shall not be liable to retire by rotation.

Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2016-17.

Directors seeking appointment / re-appointment at the ensuing Annual General Meeting

1. In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Shri Anil Choudhary, Chairman & Managing Director (DIN: 00017913) of the Company is liable to retire by rotation at ensuing Annual General Meeting and being eligible offers him self for re-appointment.
2. The tenure of Smt. Ranjana Choudhary, Whole Time Director is lapsed on 31st May, 2017, therefore, upon the recommendation of Nomination and Remuneration Committee of the Board, the Board of Directors at their meeting held on 09th March, 2017 has re-appointed her for a further term of 5 (Five) years w.e.f. 0 1st June, 2017, subject to the approval of members at ensuing Annual General Meeting.
3. Upon the recommendation of Nomination and Remuneration Committee of the Board, the Board of Directors at their meeting held on 10th May, 2017 has appointed Shri Milind Mahajan as Additional Director under the category of Independent Director for a term of 5 (Five) years w.e.f. 10th May, 2017, subject to the approval of members at ensuing Annual General Meeting.

The Board recommends to pass necessary resolutions for approval of the members as set out in the notice of the annual general meeting.

Changes in Directors and Key Managerial Personnel

Shri Anil Choudhary, Chairman & Managing Director, Smt. Ranjana Choudhary, Whole Time Director, Shri Virendra Singh Pamecha, Whole Time Director, Shri Ravindra Choudhary, CEO, Shri Abhishek Jain, CFO and CS Megha Parmar, Company Secretary & Compliance Officer, have been categorized as Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

There was no change in the composition of Directors and Key Managerial Personnel during the Financial Year 2016-17 except the following:

1. Shri Virendra Singh Pamecha (DIN: 07456367) has been appointed as Additional & Whole Time Director of the Company (liable to retire by rotation); for a period of 5 years w.e.f. 26th March, 2016. His appointment was also approved by the Members at their Extra Ordinary General Meeting held on 26th April, 2016.
2. Shri Ravindra Choudhary who was working as Manager (Marketing) in the Company since last 5 years; was designated as Chief Executive Officer and Key Managerial Personnel of the Company w.e.f. 12th May, 2016.
3. Shri Abhishek Jain, who was working as General Manager-Finance in the Company since last 10 years; was designated as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 12th May, 2016.
4. Smt. Ranjana Choudhary (DIN: 03349699) has been re-appointed as Whole Time Director & KMP of the Company for a further period of 5 (Five) Years w.e.f. 01st June, 2017 subject to approval of Members at ensuing Annual General Meeting.
5. Shri Neetesh Gupta (DIN: 06689342), Independent Director has resigned from the Board w.e.f. 10th May, 2017 vide his resignation letter dated 02nd May, 2017. The Board of Directors at their meeting held on 10th May, 2017 accepted his resignation.
6. Shri Milind Mahajan (DIN: 00155762) was appointed as Additional Director on the Board under the category of Independent Director w.e.f. 10th May, 2017 subject to approval of Members at ensuing Annual General Meeting.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business:

The notice of Board meeting is given well in advance to all the Directors. Meetings of the Board are held in Indore, at the Registered Office. The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. However, in case of urgent business needs notice & agenda of Board/Committee meetings were circulated on shorter notice period with consent and presence of Independent Directors at the Meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 10 (Ten) times in the Financial Year 2016-17 viz., 12th May, 2016; 7th June, 2016; 22nd June, 2016; 12th July, 2016; 19th August, 2016; 30th August, 2016; 14th November, 2016; 3rd January, 2017; 9th March, 2017; 29th March, 2017. The maximum interval between any two meetings did not exceed 120 days.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 14th November, 2016 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is annexed with the Report as "**Annexure C**" and is uploaded on company's website

([Link-http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_Nomination-and-Remuneration-Policy.pdf](http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_Nomination-and-Remuneration-Policy.pdf))

Annual evaluation by the Board

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of company and its performance
- iv. Providing perspectives and feedback going beyond the information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

COMMITTEES OF THE BOARD

The Company has following five Committees:

(a) Audit Committee:

The Company has constituted Audit Committee as per requirement of section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The constitution of the Audit Committee was approved by the Board of Directors and was re-constituted as per requirements. The Audit Committee comprises of the following Directors of the Company:

S.No.	Name of director	Nature of Directorship	Designation in the Committee
1.	Shri Hitesh Mehta	Independent Director	Chairman
2.	Shri Neetesh Gupta (till 10th May, 2017)	Independent Director	Member
3.	Shri Milind Mahajan (w.e.f. 10th May, 2017)	Independent Director	Member
4.	Shri Anil Choudhary	Chairman & Managing Director	Member

(b) Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held and was re-constituted on requirements. The Nomination and Remuneration Committee comprises of the following Directors of the Company:

S.No.	Name of Director	Nature of Directorship	Designation in the Committee
1.	Shri Hitesh Mehta	Independent Director	Chairman
2.	Shri Neetesh Gupta (till 10th May, 2017)	Independent Director	Member
3.	Shri Milind Mahajan (w.e.f. 10th May, 2017)	Independent Director	Member
4.	Shri Chintan Singhvi	Independent Director	Member

(c) Stakeholders' Relationship Committee:

The Company has constituted a shareholder/investors grievance committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders. The Committee was constituted by the Board and was re-constituted on need basis. The Stakeholders' Relationship Committee comprises the following Directors:

S.No.	Name of Director	Nature of Directorship	Designation in the Committee
1.	Shri Neetesh Gupta (till 10th May, 2017)	Independent Director	Chairman
2.	Shri Milind Mahajan (w.e.f. 10th May, 2017)	Independent Director	Chairman
3.	Shri Hitesh Mehta	Independent Director	Member
4.	Shri Anil Choudhary	Chairman & Managing Director	Member

(d) Corporate Social Responsibility (CSR) Committee:

Company has constituted a CSR Committee in accordance with the provisions of section 135 of Companies Act, 2013. The constitution of the CSR Committee was approved by a meeting of the Board and reconstituted as per requirements. The CSR Committee comprises the following Directors:

S.No.	Name of Director	Nature of Directorship	Designation in the Committee
1.	Shri Anil Choudhary	Chairman & Managing Director	Chairman
2.	Shri Hitesh Mehta	Independent Director	Member
3.	Smt. Ranjana Choudhary	Whole Time Director	Member

(e) Borrowing Committee:

Board of Directors has voluntarily constituted Borrowing Committee of the Board and powers of Borrowing under Section 179(3)(d) of the Companies Act, 2013 were delegated to the said committee. This Committee comprises the following directors:

S.No.	Name of Director	Nature of Directorship	Designation in the Committee
1.	Shri Anil Choudhary	Chairman & Managing Director	Chairman
2.	Smt. Ranjana Choudhary	Whole Time Director	Member
3.	Shri Virendra Singh Pamecha	Whole Time Director	Member
4.	Shri Hitesh Mehta	Independent Director	Member

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2016-17 were on Arm's Length Basis and were in the Ordinary Course of business. There are no materially significant Related Party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise, and the Board. The transactions entered into by the company are audited. The Company has developed Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The RPT Policy as approved by the Board is available on the Company's website ([Link - http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_Policy-for-Related-Party-Transactions.pdf](http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_Policy-for-Related-Party-Transactions.pdf)). Requirement of Form AOC-2 for annexed with the Board Report is not applicable on the company during the year 2016-17.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

Statutory Auditors

M/s Gupta & Ashok, Chartered Accountants, the Statutory Auditors were appointed for a term of 5 years at Annual General Meeting of the Company held on 30th Sept., 2014 and they have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the rules framed hereunder for ratification by the Members for appointment as Statutory Auditors of the Company for Financial Year 2017-18. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year, 2016-17. The Report of the Secretarial Auditors in Form MR-3 is annexed herewith as "**Annexure D**" of this report. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board, except that:

- 1) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*

Management Comments: There was some delay in filing of the particulars some forms with ROC due to technical reasons and company has already complied with the same and has filed those Forms and paid additional filing fee as prescribed. Therefore, there is no default as such and same has been considered as compliance under the relevant provisions of the Companies Act, 2013.

The Board of Directors at their Meeting held on 29th May, 2017, has re-appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit for Financial Year 2017-18.

DISCLOSURE FOR FRAUDS AGAINST THE COMPANY

In terms of the provisions of section 134(3)(ca) of the Companies Act, 2013, there were no frauds committed against the Company and persons who are reportable under section 141(12) by the Auditors to the Central Government. Also, there were no non-reportable frauds during the year 2016-17.

CORPORATE GOVERNANCE

The Company being listed on the SME Platform of BSE Limited; is exempted from provisions of Corporate Governance as per Regulation 15 of the SEBI (LODR) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily.

CODE OF CONDUCT

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company which is applicable with effect from the date of listing of the Company i.e. 14th July, 2016 and same has been hosted on the website of the company.

(http://www.comsyn.com/wp-content/uploads/2016/08/CSBL_Code-of-Conduct-for-BODKMPs-Senior-Management_.pdf)

CONSOLIDATED FINANCIAL STATEMENTS

Since the company is not having any subsidiary, associates or joint venture, therefore, the requirement for Consolidated Financial Statements in accordance with relevant Accounting Standards (AS) is not applicable to the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure E**".

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

Except that as stated in the relevant places, the material changes, development, regarding expansion project which is ongoing, from the 31st March, 2017 till the date of the Board Reports, there are no material changes which may affect the financial position of the Company.

NON APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS (IND-AS)

As per proviso to regulation Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is also listed on SME Platform of BSE Limited, is covered under the exempted category and is not required to comply with IND-AS for preparation of financial statements beginning with period on or after 1st April 2017.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure F**".

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the "**Annexure G**".

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum or Rs. Eight Lakhs Fifty Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

ACKNOWLEDGMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the BSE Ltd. Lead Manager, Share Transfer Agent and other intermediaries of the Public Issue of the Company and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

"Annexure-A"

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

CSR Policy is stated at the Website of Company:

(Link: http://www.comsyn.com/wp-content/uploads/2016/07/CSBL_CSR-Policy.pdf)

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

1. Shri Anil Choudhary: Managing Director- Chairman
2. Shri Hitesh Mehta: Independent Director- Member
3. Smt. Ranjana Choudhary: Whole Time Director- Member

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

Financial Year	Profit (Rs. in Lakhs)
2015-16	813.80
2014-15	737.74
2013-14	526.99
Total (A)	2078.53
Average of above said Profit	692.84
2% of Average Profit	13.86

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above):**

The Company was required to spend Rs.13.86 Lakhs towards CSR during the Financial Year 2016-17 and the Company is carrying the unspent amount of Rs. 17.70 Lakhs for the year 2014-15 and 2015-16. Thus the Company was required to spend total amount of Rs.31.56 Lakhs upto 31st March, 2017. Your company has expended Rs. 2.07 Lakhs towards the CSR activities till 31st March, 2017.

5. **Details of CSR spend for the financial year**

- a. Total amount spent during the financial year 2016-17 : Rs. 2.07 Lakhs
- b. Unspent amount of CSR activities for 2014-15, 2015-16 & 2016-17 : Rs. 29.49 Lakhs
- c. Manner in which the amount spent during the financial year is detailed below :

Amt. in Lakhs

S. No.	Project/ Activities	Sector	Location	Amount Outlay (Budget for project/ activities)	Amount spent on the project/ activities	Cumulative expenditure upto reporting period	Amount spent direct or through implementing agency
1	Plantation Programme	Environmental Sustainability	Pithampur (MP)	0.50	0.43	0.43	Direct
2	Medical & Blood Check Up Programme	Promotion of Healthcare including preventive health care Measures	Pithampur (MP)	0.10	0.07	0.50	Direct
3	Contribution to Friends of Tribal Society	Promotion of Education	Indore (MP)	0.75	0.42	0.92	Through implementing agency

4	Contribution to Prime Minister National Relief Fund	Fund Set up by the Central Government	-	0.11	0.11	1.03	Direct to PM relief Fund
5	Contribution to Sadaachaar Samiti (Distribution of Food Pack in Hospitals & to needy persons/poors)	Eradicating hunger and malnutrition	Indore (MP)	1.50	0.04	1.07	Through implementing agency
6	Contribution to Shri Hari Satsang Samiti (Associate of Friends of Tribal Society) Adoption of 25 Villages for upliftment of tribal society.	Measures for reducing inequalities faced by socially and economically backward groups.	Indore (MP)	1.50	1.00	2.07	Through implementing agency
7	Other Project/ Activities which will suitably identified subsequently as per CSR policy and Schedule VII	Activities as per CSR policy and Schedule VII of the Companies Act 2013	Preferably Indore and Pithampur (MP)	27.10	-	-	-
	TOTAL			31.56	2.07	2.07	-

6. During the financial year Company has spent Rs. 2.07 Lakhs out of Rs.31.56 Lakhs and the Company could not spend the remaining balance amount as the Company was in the process of identification of the suitable Projects and place for proper utilization of the CSR amount and need more time for verification of various proposal received from Implementing Agencies. Company is fully committed & dedicated towards its Social Responsibility. The balance amount will be spent in the financial year 2017-18.
7. The CSR Committee of the Board of Directors hereby confirms that implementation and monitoring is fully in accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made there under.

For and on behalf of the Board

Place: Indore
 Date: 4th August, 2017

Anil Choudhary
Chairman of the CSR Committee
DIN: 00017913

VIGIL MECHANISM / WHISTLE BLOWER POLICY

[Under Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2 In the draft Rules under Companies Act, 2013, among others, a company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crore need to have a vigil mechanism.
- 1.3 Under these circumstances, COMMERCIAL SYN BAGS LIMITED, being a Limited Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

2. DEFINITIONS

- 2.1 “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 2.2 “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Companies Act, 2013.
- 2.3 “Board” means the Board of Directors of the Company.
- 2.4 “Company” means the company, “Commercial Syn Bags Ltd” and all its offices.
- 2.5 “Code” means Code of Conduct for Directors and Senior Management Executives adopted by Commercial Synbags Ltd.
- 2.6 “Employee” means all the present employees and whole time Directors of the Company (Whether working in India or abroad).
- 2.7 “Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 2.8 “Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 2.9 “Vigilance and Ethics Officer” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.10 “Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. POLICY OBJECTIVES

- 3.1 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle

Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- 3.2 This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

4. SCOPE OF THE POLICY

- 4.1 This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.

- 6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy". Alternatively, the same can also be sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgment to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

- 6.3 Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.

- 6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

- 6.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer;

Shri Hitesh Mehta

Chairman of the Audit Committee

Email: hitesh1950@gmail.com

- 6.6 Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Chairman & Managing Director

Shri Anil Choudhary Email: anil@comsyn.com

Chief Executive Officer (CEO)

Shri Ravindra Choudhary

Email: ravi@comsyn.com

Chairman of the Audit Committee

Shri Hitesh Mehta (Independent Director)

Email: hitesh1950@gmail.com

6.7 On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint
- e) Findings of the Audit Committee
- f) The recommendations of the Audit Committee/ other action(s).

6.8 The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

7. INVESTIGATION

7.1 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

7.2 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

7.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

7.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

7.7 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

7.8 Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

7.9 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

8.1 If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is

clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

- 8.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3 In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY/CONFIDENTIALITY

- 9.1 The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
 - 9.1.1 Maintain confidentiality of all matters under this Policy
 - 9.1.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 9.1.3 Not keep the papers unattended anywhere at any time
 - 9.1.4 Keep the electronic mails / files under password.

10. PROTECTION

- 10.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has

acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

13. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

14. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee of Commercial Syn Bags Limited is established under section 178 of the Companies Act, 2013.

1. MEMBERSHIP OF THE COMMITTEE

1.1 COMPOSITION

The Committee consists of:

- a minimum of three members of the Board;
- only non- executive directors;
- a non- executive independent director as chair; and
- a majority of independent directors.

1.2 MEMBERSHIP

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board. Any director not formally a Member of the Committee may attend Committee meetings however only nominated directors may vote on matters before the Committee.

Non-committee members, including members of management may attend all or part of a meeting of the Committee at the invitation of the Committee chair. The Company Secretary must attend all Committee meetings.

2. ADMINISTRATIVE MATTERS

2.1 MEETINGS

The Committee will meet as often as the Committee members deem necessary in order to fulfill their role. However, it is intended that the Committee will normally meet four times each year.

2.2 QUORUM

The quorum is at least 2 members.

2.3 CONVENING AND NOTICE OF MEETING

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

2.4 CHAIR

In the absence of the Committee chair, the Committee members must elect one of their member as chair for that meeting. The chair has a casting vote.

2.5 ACCESS TO RESOURCES AND INDEPENDENT ADVISERS

The Committee is to have access to adequate internal and external resources. For example, the Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.

2.6 MINUTES

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

2.7 REPORTING

The Committee chair will provide a report of the actions of the Committee to be included in the Board papers for the

Board meeting next following a meeting of the Committee. The report will include provision of meeting agendas, papers and minutes of the Committee.

The Committee chair will also, if requested, provide a report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board Meeting to request information of the Committee chair or members of the Committee.

3. ROLE AND RESPONSIBILITIES –

3.1 NOMINATION

The responsibilities of the Committee are as follows:

- a) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chairman and CEO.
- b) Review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members.
- c) Assist the Board as required to identify individuals who are qualified to become Board members (including in respect of executive directors).
- d) Review and recommend to the Board membership of the Board, including recommendations for the appointment and re-election of directors, and where necessary propose candidates for consideration by the Board, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves.
- e) Assist the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- f) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- g) Ensure that an effective induction process is in place for any newly appointed director and regularly review its effectiveness.

3.2 REMUNERATION

- a) Review the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b) Review relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) Remuneration to directors, key managerial personnel and senior management involves a balance reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- d) In addition, it also takes into account the financial position of the Company, the industrial trend, appointee's experience, past performance and past experience etc. and strives to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

4. REMUNERATION POLICY

- a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
 - to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
 - to attract and retain skilled executives;
 - to ensure any termination benefits are justified and appropriate.
- b) In the discharge of the Committee's responsibilities, no director or executive should be directly involved in determining their own remuneration.
- c) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.
- d) The Committee chair or if they are not available, a Committee member should attend the Annual General Meeting and make themselves available to answer any questions from shareholders about the Committee's activities or, if

appropriate, the Company's Remuneration arrangements.

5. POLICY AND PROCEDURE FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS.

- a) Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:
- the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
 - the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
 - potential conflicts of interest, and independence.
- b) Detailed background information in relation to a potential candidate should be provided to all directors.
- c) The identification of potential Director candidates may be assisted by the use of external search organizations as appropriate.
- d) An offer of a Board appointment must be made by the chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

6. REVIEW

The Board will, at least once in each year, assess the adequacy of this Charter and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-D”

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
Commercial Syn Bags Ltd.
 (Formerly known as Commercial Synbags Limited)
 Commercial House, 3-4, Jaora Compound,
 M.Y. H. Road, Indore (M.P.) 452001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Commercial Syn Bags Limited**, (Formerly known as Commercial Synbags Limited) (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and we hereby report that in our opinion, the Company has, during the audit period **for the Financial Year ended on 31st March, 2017** (1st April, 2016 to 31st March, 2017) complied with the statutory provisions, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Commercial Syn Bags Limited (“the Company”) for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. However, the provisions related to Overseas Direct Investment and External Commercial Borrowings was not applicable;
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report:-
 - (a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
 - (d) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups

of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

The Company is having business of manufacturing of FIBC, PP Fabric, Woven sacks & Tarpaulin, Solar Energy (for Captive consumption) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as applicable on Small Company listed with the SME platform w.e.f. 14th July, 2016.

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

- (i) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*

We further report that

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

Adequate notices were given to all directors and the committee members to schedule the Board and Committee Meetings and 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.

All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith has not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

We further report that during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows: -

- 1) the company had filed prospectus with the Registrar of Companies, Gwalior, on 23rd June, 2016 and the public issue was open from 30th June, 2016 to 5th July, 2016 for 31,92,000 equity shares of Rs 10 each at a premium of Rs. 14/- per share. The company made allotment of such shares on 12th July, 2016 and got the status of Listed company w.e.f. 14th July, 2016 by listing of its shares at the SME Platform of BSE Ltd. and complied with the SEBI (ICDR) Regulations, 2009 as applicable on issuance of securities for listing on SME Platform.
- 2) Post completion of IPO, the Company had entered into listing agreement with BSE Limited as per the requirement of SEBI (LODR) Regulations, 2015.
- 3) The Company is making expansion of its operation in SEZ Unit situated at Plot No. 15 to 17, Phase-1, Sector-III, Pithampur (MP) by setting up of complete manufacturing facilities by installation of Tape Line and Looms with clean room facilities for manufacturing of food grade jumbo and FIBC bags with the proposed capacity addition of approx 3400 MT. with the total capital investment of upto Rs. 2810.00 Lakhs.
- 4) The company has registered its logo under the Trademark Act with the Registrar of Trademark.
- 5) The Company had installed 1.0 MW (1.2 MW peak [p]) Solar Power Generating System at land acquired by the Company at Ujaas Solar Park (Sitamau, M.P.) on 23rd March, 2017. The electricity generated through Solar Power Generating System is being used as captive consumption for Company's Manufacturing Units.

- 6) ONGC Petro-additions Limited (OPaL) has appointed the Company as its Del Credre Agent-cum-Consignment Stockist (DCA-cum-CS) for Indore, Madhya Pradesh for a period of 3 (three) years subject to compliance of various terms & conditions, execution of necessary documents and agreements as mentioned in the Letter of Appointment (LOA) dated 30th March, 2017.

For, ISHAN JAIN & CO.
COMPANY SECRETARIES

CS ISHANJAIN
PROPRIETOR

ACS 29444, CP 13032

Place: Indore

Date: 3rd June, 2017

Annexure - I to the Secretarial Audit Report

List of other applicable laws to the Company under the major group and head of business activities

1. Factories Act, 1960;
2. Industries (Development & Regulation) Act, 1951;
3. Standard Weight and Measurement Act,
4. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
5. Acts prescribed under prevention and control of Pollution;
6. Acts prescribed under Environmental protection;
7. Acts as prescribed under Direct Tax and Indirect Tax;
8. Labour Welfare Act of respective States;
9. Local laws as applicable to the Registered office and plant;
10. The Electricity Act, 2003;
11. The Special Economic Zone Act, 2005.

For, ISHAN JAIN & CO.
COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR

ACS 29444, CP 13032

Place: Indore

Date: 3rd June, 2017

Annexure - II to the Secretarial Audit Report

To,

The Members,

Commercial Syn Bags Ltd.

(Formerly known as Commercial Synbags Limited)

Commercial House, 3-4, Jaora Compound,

M.Y. H. Road, Indore (M.P.) 452001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

For, ISHAN JAIN & CO.

COMPANY SECRETARIES

CS ISHANJAIN

PROPRIETOR

ACS 29444, CP 13032

Place: Indore

Date: 3rd June, 2017

“Annexure-E”

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(I)	the steps taken or impact on conservation of energy;	The Company is utilizing latest machinery to save the power consumption. It has started replacing the conventional lights with the LED lights. It is using the Air Ventilators for reducing the temperature naturally at the work place. Further Company is also using the LED Monitors to reduce the power consumption.
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company has already installed the DG Set as a standby power arrangement and for alternate source of energy. The Company has installed Solar Power Generating System at Ujaas Solar Park, Sitamau (M.P.) for generation of solar power for captive consumption at Company's Manufacturing Units situated at Pithampur (M.P.), which will result in reduction of power cost and increase in efficiency.
(III)	the capital investment on energy conservation equipment's	Rs. 578.82 Lakhs

(B) TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.	
	(a) the details of technology imported	N.A.	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	2016-17 NIL	2015-16 NIL

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO

		2016-17	2015-16
		2016-17	2015-16
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	9552.17	9986.03
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.	1408.33	1217.52

For and on behalf of the Board

 Place: Indore
 Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-F”

EXTRACT OF ANNUAL RETURN -FORM MGT – 9**As on financial year ended on 31st March, 2017**

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

I. Registration and Other Details

CIN	L25202MP1984PLC002669
Registration Date	10/12/1984
Name of the Company	COMMERCIAL SYN BAGS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore-452001 (MP) Email: investors@comsyn.com
Whether listed company	Yes (Listed on BSE Ltd. (SME Platform) w.e.f. 14th July, 2016)
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED (As on 31.03.2017) E-3 Ansa Industrial Estate Saki Vihar Road Sakinaka Mumbai MH 400072 - Tel.+91 22 4043 0200 Email: investor@bigshareonline.com (w.e.f. 27th June, 2017) :- 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra - Tel.+91 22 6263 8200 Email: investor@bigshareonline.com

II. Principal Business Activities of the Company:

All the Business Activities contributing 10% or more of the total turnover of the Company is as stated below:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of plastic articles for the packing of goods (plastic bags, sacks, containers, boxes, cases, carboys, bottles etc.)	22203	98.37%

III. Name and Address of the Holding, Subsidiary and Associate Companies:

S.N.	Name and Address of the Company	CIN	Holding/Subsidiary/Associate	% of shares held	Applicable section
----- NIL -----					

IV.SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)
I) Category-wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	3270700	3270700	37.92%	3049100	-	3049100	25.80%	(12.12%)
b) Central Govt.	-	-	-	-	-	-	-	-	0
c) State Govt.(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corporate	-	3114000	3114000	36.10%	3114000	-	3114000	26.35%	(9.75%)
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any Other....	-	-	-	-	-	-	-	-	0
Sub-Total (A)(1):	-	6384700	6384700	74.02%	6163100	-	6163100	52.15%	(21.87%)
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	0
b) Other –Individuals	-	-	-	-	-	-	-	-	0
c) Bodies Corporate	-	-	-	-	-	-	-	-	0
d) Banks / FI	-	-	-	-	-	-	-	-	0
e) Any Other...	-	-	-	-	-	-	-	-	0
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	0
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	-	6384700	6384700	74.02%	6163100	-	6163100	52.15%	(21.87%)
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	0
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	0
b) Banks / FI	-	-	-	-	-	-	-	-	0
c) Central Govt.	-	-	-	-	-	-	-	-	0
d) State Govt.(s)	-	-	-	-	-	-	-	-	0
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0
f) Insurance companies	-	-	-	-	-	-	-	-	0
g) FII's	-	-	-	-	-	-	-	-	0
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0
i) Others (specify)	-	-	-	-	-	-	-	-	0
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	590500	-	590500	5.00%	5.00%
ii) Overseas	-	-	-	-	-	-	-	-	0
b) Individuals									
l) Individual Share holders holding nominal share capital upto Rs.2 Lakh	-	5800	5800	0.07%	1341300	-	1341300	11.35%	11.28%

ii) Individual Shareholders holding nominal share capital in excess of Rs.2 Lakh	-	2234900	2234900	25.91%	3545500	-	3545500	30.00%	4.09%
c) Others (specify)	-	-	-	-	-	-	-	-	0
Shares held by Pakistani citizens vested with the Custodian of Enemy Property									
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	0
iv) NRI / OCBs	-	-	-	-	54000	-	54000	0.46	0.46
v) Clearing Members /Clearing House	-	-	-	-	123000	-	123000	1.04	1.04
vi) Trusts	-	-	-	-	-	-	-	-	0
vii) LLP	-	-	-	-	-	-	-	-	0
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	0
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	0
Sub-Total (B)(2):	-	2240700	2240700	25.98	5654300	-	5654300	47.85	21.87%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	2240700	2240700	25.98	5654300	-	5654300	47.85	21.87%
Grand Total (A+B)	-	8625400	8625400	100.00	11817400	-	11817400	100	0

The Company has allotted 31,92,000 equity Shares of Face Value of Rs. 10/- each at an issue price of Rs. 24/- per share under Initial Public Offer on 12th July, 2016

ii) Shareholding of Promoters

Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year*
	No. of Shares	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Co.	% of Shares Pledged / encumbered to total shares	
Shri Mohanlal Choudhary	539000	6.25	-	539000	4.56	-	(1.69)
Shri Anil Choudhary	449200	5.21	-	449200	3.80	-	(1.41)
Smt. Vidhya Choudhary	224180	2.60	-	224180	1.90	-	(0.70)
Shri Pramal Choudhary	215200	2.49	-	215200	1.82	-	(0.67)
Anil Choudhary HUF	470620	5.46	-	470620	3.98	-	(1.48)
Mangilal Mohanlal HUF	140000	1.62	-	140000	1.18	-	(0.44)
Ms. Veenal Choudhary	520800	6.04	-	520800	4.41	-	(1.63)

Super Sack Pvt. Ltd.	3114000	36.10	-	3114000	26.35	-	(9.75)
Ravindra Kumar Mohanlal Choudhary (HUF)	269000	3.12	-	269000	2.28	-	(0.84)
Shri Ravindra Choudhary	94500	1.10	-	94500	0.80	-	(0.30)
Smt. Munni Bai Choudhary	125600	1.46	-	125600	1.06	-	(0.40)
Ms. Hemlata Choudhary	1000	0.01	-	1000	0.01	-	0.00
Smt. Ranjana Choudhary**	221600	2.57	-	0	0.00	-	(2.57)

*Change in % of Shareholding of Promoter Group is due to increase in total paid up equity capital as the Company has allotted 31,92,000 Equity Shares of Face Value of Rs. 10/- each at an issue price of Rs. 24/- per share under Initial Public Offer on 12th July, 2016.

**Shifted to Non-Promoter/Public Shareholding vide Prospectus dated 23rd June, 2016 issued to general public for initial public offer of 31,92,000 Equity Shares.

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

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Co.	No. of Shares	% of total Shares of the Co.
Shri Mohanlal Choudhary				
At the beginning of the year	539000	6.25	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(1.69)
At the end of the year			539000	4.56
Shri Anil Choudhary				
At the beginning of the year	449200	5.21	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	-	-	-	(1.41)
At the end of the year			449200	3.80
Super Sack Pvt. Ltd.				
At the beginning of the year	3114000	36.10	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(9.75)
At the end of the year			3114000	26.35

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Co.	No. of Shares	% of total Shares of the Co.
Shri Pramal Choudhary				
At the beginning of the year	215200	2.49	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(0.67)
At the end of the year			215200	1.82
Anil Choudhary HUF				
At the beginning of the year	470620	5.46	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	-	-	-	(1.48)
At the end of the year			470620	3.98
Mangilal Mohanlal HUF				
At the beginning of the year	140000	1.62	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(0.44)
At the end of the year			140000	1.18
Ms. Veenal Choudhary				
At the beginning of the year	520800	6.04	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(1.63)
At the end of the year			520800	4.41
Smt. Vidhya Choudhary				
At the beginning of the year	224180	2.60	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(0.70)
At the end of the year			224180	1.90

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Co.	No. of Shares	% of total Shares of the Co.
Ravindra Kumar Mohanlal Choudhary (HUF)				
At the beginning of the year	269000	3.12	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(0.84)
At the end of the year			269000	2.28
Shri Ravindra Choudhary				
At the beginning of the year	94500	1.10	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	-	-	-	(0.30)
<i>Allotment of 352965 Bonus Equity Shares on 26.03.2016</i>				
At the end of the year			94500	0.80
Smt. Munni Bai Choudhary				
At the beginning of the year	125600	1.46	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(0.40)
At the end of the year			125600	1.06
*Smt. Ranjana Choudhary				
At the beginning of the year	221600	2.57	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	(2.57)
At the end of the year	-	-	-	-
<i>Shifted to Non Promoter/Public Shareholding vide Prospectus dated 23rd June, 2016 issued to general public for initial public offer of 31,92,000 Equity Shares.</i>				
Ms. Hemlata Choudhary				
At the beginning of the year	1000	0.01	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	-	-
At the end of the year	-	-	1000	0.01

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Changes during the year					Reason
	No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company	Date	No. shares before Change	No. shares After Change	Increase	Decrease	
Shri Pradeep Kumar Agrawal	871560	10.10	871560	7.38	-	-	-	-	-	-
Shri Ashok Kumar Agrawal	500000	5.80	500000	4.23	-	-	-	-	-	-
Shri Shambhu Dayal Garg	383340	4.44	395340	3.35	25-11-2016	383340	386340	3000	-	Acquired
					16-12-2016	386340	395330	8990	-	Acquired
					03-02-2017	395330	395340	10	-	Acquired
Ashok Kumar Tarachand Garg (HUF)	240000	2.78	240000	2.03	-	-	-	-	-	-
Atul Kumar Tarachand Garg (HUF)	240000	2.78	240000	2.03	-	-	-	-	-	-
Smt. Ranjana Choudhary	221600 (Not in List)	2.57	221600	1.88	-	-	221600	-	-	Shifted from Promoter Group
Smt. Ranjanben Arvindray Shah	0 (Not in List)	-	210000	1.78	12-07-2016	0	78000	78000	-	Allotment
					22-07-2016	78000	210000	132000	-	Acquired
Shri Manoj Agrawal	0 (Not in List)	-	180000	1.52	12-07-2016	0	72000	72000	-	Allotment
					22-07-2016	72000	102000	30000	-	Acquired
					05-08-2016	102000	157516	55516	-	Acquired
					12-08-2016	157516	174000	16484	-	Acquired
					26-08-2016	174000	184631	10631	-	Acquired
					09-09-2016	184631	186000	1369	-	Acquired
					07-10-2016	186000	204000	18000	-	Acquired
					28-10-2016	204000	192000	-	12000	Disposed
					04-11-2016	192000	186000	-	6000	Disposed
16-12-2016	186000	180000	-	6000	Disposed					
Rikhav Securities Limited	0 (Not in List)	-	180000	1.52	12-07-2016	0	168000	168000	-	Allotment
					29-07-2016	168000	162000	-	6000	Disposed
					26-08-2016	162000	126000	-	36000	Disposed
					07-10-2016	126000	180000	54000	-	Acquired
					09-12-2016	180000	177000	-	3000	Disposed
					23-12-2016	177000	180000	3000	-	Acquired
Ms. Nidhi Biyani	0 (Not in List)	-	150000	1.27	29-07-2016	0	78000	78000	-	Acquired
					05-08-2016	78000	90000	12000	-	Acquired
					26-08-2016	90000	108000	18000	-	Acquired
					30-09-2016	108000	120000	12000	-	Acquired
					04-11-2016	120000	150000	30000	-	Acquired
Smt. Rita Agrawal	2600	0.03	2600	0.02	-	-	-	-	-	
Smt. Parul Choudhary	1600	0.02	1600	0.01	-	-	-	-	-	
Smt. Shruti Choudhary	1600	0.02	1600	0.01	-	-	-	-	-	

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Co.	No. of Shares	% of total Shares of the Co.
Shri Anil Choudhary, Chairman & Managing Director				
At the beginning of the year	449200	5.21	-	-
Date wise Increase/Decrease in share holding during the year transfer/bonus/sweat equity etc):	-	-	-	(1.41)*
At the end of the year			449200	3.80
Smt. Ranjana Choudhary, Whole-time Director				
At the beginning of the year	221600	2.57	-	-
Date wise Increase/Decrease in share holding during the year transfer/bonus/sweat equity etc):	-	-	-	(0.69)*
At the end of the year			221600	1.88
Shri Ravindra Choudhary, Chief Executive Officer				
At the beginning of the year	94500	1.10	-	-
Date wise Increase/Decrease in share holding during the year transfer/bonus/sweat equity etc):	-	-	-	(0.30)*
At the end of the year			94500	0.80

*Change in % of Shareholding is due to increase in total paid up equity capital as the Company has allotted 31,92,000 Equity Shares of Face Value of Rs. 10/- each at an issue price of Rs. 24/- per share under Initial Public Offer on 12.07.2016.

Shri Virendra Singh Pamecha (WTD), Shri Abhishek Jain (CFO), Ms. Megha Parmar (CS), Shri Hitesh Mehta (ID), Shri Neetesh Gupta (ID), Shri Chintan Pushpraj Singhvi (ID)) were not holding any shares in the company as on 31.03.2017.

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2256.81	207.15	0.00	2463.96
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.89	0.00	0.00	0.89
Total (i+ii+iii)	2257.70	207.15	0.00	2464.85
Change in Indebtedness during the financial year				
Addition	546.84	0.00	0.00	546.84
Reduction	(344.12)	(11.55)	0.00	(355.67)
Net Change	202.72	(11.55)	0.00	191.17
Indebtedness at the end of the financial year				
i) Principal Amount	2457.87	195.60	0.00	2653.47
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	2.55	0.00	0.00	2.55
Total (i+ii+iii)	2460.42	195.60	0.00	2656.02

VI) REMUNERATION OF DIRECTOR AND KMP
A. Remuneration to Managing Director, Whole-Time Directors and / or Manager :

S. No.	Particular of Remuneration	Shri Anil Choudhary CMD	Smt. Ranjana Choudhary WTD	Shri Virendra Singh Pamecha WTD	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	15,00,000	6,00,000	8,84,208	29,84,208
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	15,00,000	6,00,000	8,84,208	29,84,208
	Ceiling as per the Act*	4200000	4200000	4200000	12600000

*As per Schedule V and the section 197 of the Companies Act, 2013

B. Remuneration to other Directors:
1. Independent Directors: No remuneration was paid to independent directors

S. No.	Particular of Remuneration	Shri Hitesh Mehta	Shri Neetesh Gupta	Shri Chintan Pushpraj Singhvi	Total
1	-Fee for attending Board/ Committee Meetings	30,000	28,000	8,000	66,000
2	-Commission		-	-	--
3	- Others, please specify	-	-	-	-
	Total B.1	30,000	28,000	8,000	66,000

2. Other Non-Executive Directors: There are no other non executive directors in the Company

S.No.	Particular of Remuneration	-	Total
1	-Fee for attending Board/Committee Meetings		
2	-Commission	-	-
3	- Others, please specify	-	-
	Total B.2	-	-
	Total (B1+B2)	-	66,000
	Total Managerial Remuneration (A + B)		30,50,208
	Overall Ceiling as per the Act		12600000

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

S. No.	Particular of Remuneration	Ms. Megha Parmar (CS)	Shri Ravindra Choudhary (CEO)*	Shri Abhishek Jain (CFO)**	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	2,69,686	6,00,000	10,34,919	19,04,605
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
	Stock Options	0	0	0	0
	Sweat Equity	0	0	0	0
	Commission				
	- as % of profit	0	0	0	0
	- Others, specify....	0	0	0	0
	Others, please specify	0	0	0	0
	Total C	2,69,686	6,00,000	10,34,919	19,04,605

*Shri Ravindra Choudhary was appointed as CEO & KMP w.e.f. 12th May, 2016.

**Shri Abhishek Jain was appointed as CFO & KMP w.e.f. 12th May, 2016.

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	AUTHORITY [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTOR					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-G”

Particulars of Employees

[As per section 197(12) read with the Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. Ratio and remuneration of Directors & KMPs

S. No.	Name	Designation	Remuneration for the year 2016-17 (Rs.)	Remuneration for the year 2015-16 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1	Shri Anil Choudhary	CMD	15,00,000	12,00,000	25.00	17.99:1
2	Smt. Ranjana Choudhary	WTD	6,00,000	6,00,000	0.00	7.19:1
3	Shri Virendra Singh Pamecha*	WTD	8,84,208	*12037	N.A.	10.60:1
4	Shri Hitesh Mehta	ID	30,000	28,000	N.A.	N.A.
5	Shri Neetesh Gupta	ID	28,000	30,000	N.A.	N.A.
6	Shri Chintan Singhvi	ID	8,000	4,000	N.A.	N.A.
7	Shri Ravindra Choudhary**	CEO	6,00,000	6,00,000	0.00	7.19:1
8	Shri Abhishek Jain**	CFO	10,34,919	10,34,394	0.00	12.41:1
9	Ms. Megha Parmar***	CS	2,69,686	***4167	N.A.	3.23:1

*Shri Virendra Singh Pamecha was appointed as additional and whole time director w.e.f. 26th March, 2016 (Remuneration for the period 26.03.2016 to 31.03.2016).

**Shri Ravindra Choudhary was designated as CEO and Shri Abhishek Jain was designated as CFO w.e.f. 12th May, 2016.

*** Ms. Megha Parmar has been appointed as Company Secretary w.e.f. 26.03.2016 (Remuneration for the period 26.03.2016 to 31.03.2016).

ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –

As stated above in item no. (i).

iii. Percentage increase in the median remuneration of employees in the financial year –:

The remuneration of Median employee was Rs. 83,400 during the year 2016-17 as compared to Rs. 79,200 in the previous year. The increase in the remuneration of Median Employee was 5.30% during financial year under review.

iv. Number of permanent employees on the rolls of company –

As on 31st March, 2017 the total number of employees on the roll was 1040.

v. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2016-17 are as under.

S. No	Name of Employee	Designation of the employee	Remuneration received	nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
1	Shri Anil Choudhary	Chairman & Managing Director	15,00,000	Permanent	B.Sc., M.A., Diploma in Marketing Management (DMM) 33 Years	Since Incorporation of the Company	58 Years	No Previous Employer	No	-
2	Shri Hemant Baid	General Manager-Marketing	14,37,763	Permanent	MBA, 11 Years	03.11.2009	34 Years	Flexituff International Ltd., Pithampur	No	-
3	Shri Ashok Gupta	Director-Technical	14,37,606	Permanent	B.E., 33 Years	01.01.2016	56 Years	Neo Corp International Limited	No	-
4	Shri Pramal Choudhary	Chief Operating Officer	13,50,000	Permanent	MBA, 7 years	01.03.2010	30 Years	No Previous Employer	Yes (Shri Anil Choudhary, CMD)	-
5	Shri Abhishek Jain	Chief Financial Officer	10,34,919	Permanent	M.Com, ACS, MBA (Fin.), L.L.B (Hons.), 10 years	01.10.2005	36 Years	No Previous Employer	No	-
6	Ms. Kavita Gupta	Sr. Manager (Q.A.)	9,57,615	Permanent	M.Sc., 10 Years	01.01.2016	50 Years	Neo Corp International Limited	No	-
7	Shri Shankar Dayal Prasad	Manager – Civil	9,59,144	Permanent	Dip. In Civil 20 Years	14.08.2013	44 Years	Mission Pharma, Pithampur	No	-
8	Shri Virendra Singh Pamecha	Whole Time Director	8,84,208	Permanent	B.Com. 27 Years	21.09.2009	48 Years	India Nets, Pithampur	No	-
9	Shri Mitesh Vyas	Manager – Exports	7,93,336	Permanent	B.Sc., MBA, 10 Years	30.04.2012	34 Years	Bulk Pack Exports Ltd., Indore	No	-
10	Shri Omprakash Khare	Sr. Manager-Quality Control	7,71,919	Permanent	B.Sc., PG Dip. In Plastic Processing Technology, 23 Years	17.11.2010	48 Years	Flexituff International Ltd., Pithampur	No	-

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017
 Anil Choudhary
 Chairman & Managing Director
 DIN: 00017913

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Industry structure and developments.

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade, according to World Economic Outlook of International Monetary Fund. World growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. Stronger activity, expectations of more robust global demand, reduced deflationary pressures, and optimistic financial markets are all upside developments. But structural impediments to a stronger recovery and a balance of risks that remains tilted to the downside, especially over the medium term, remain important challenges. (Source: World Economic Outlook: International Monetary Fund)

The Economic Survey 2016-17 forecasts Indian Economy's growth rate of 6.75 to 7.5 per cent for Financial Year 2017-18 as compared to the growth rate of 6.1% in 2016-17. Even under this forecast, India would remain the fastest growing major economy in the world. The Survey further states that over the medium run, the implementation of the Goods and Services Tax (GST), follow-up to demonetization, and enacting other structural reforms should take the economy towards its potential real GDP growth of 8 per cent to 10 per cent. (Source: Economic Survey: 2016-17)

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Shri Narendra Modi, has launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

Growing steadily and taking significant strides since early 2000, the Indian FIBC industry has demonstrated its excellence to become one of the largest manufacturer and exporter in the world. FIBC gained prominence in the Indian packaging industry during the last decade and registered good growth on account of growing export of minerals, chemicals and polymer products which use FIBC for bulk packaging. The export of FIBC has increased consistently and at a higher rate when compared with other flexible packaging products. Production cuts by major FIBC producing regions such as Turkey, European countries and USA due to elevated cost of production presented an opportunity for India, resulting in a shift in sourcing from India, which is a low cost production centre. The Indian FIBC industry is growing rapidly and has overtaken Turkey to become the world's second largest producer after China.. (www.careratings.com)

The Global Flexible intermediate bulk container (FIBC) market will grow steadily during the next four years and in terms of units, will post a CAGR of more than 6% by 2021. It has been observed that the growth of the industries including food and horticulture due to the increase production and trade of horticulture products and chemicals, have boosted the demand for flexible bulk packaging. Additionally, the low-cost of shale gas, that is used as a major feedstock for the manufacturing chemicals, is inducing players in the chemical and fertilizer sectors to enhance the production of chemicals, which also increases the demand for FIBC bags. Moreover, the increased need to reduce the overall weight of bulk packaging and transporting materials will also drive the demand for FIBC containers in several other industrial sectors such as construction, boosting market growth in the coming years.

(Source: <https://www.technavio.com/report/global-packaging-global-flexible-intermediate-bulk-container-market-2017-2021>)

Your Company is an ISO 9001:2008 certified company mainly engaged in the manufacturing and supply of Flexible Intermediate Bulk Container (FIBC), High Density Polyethylene (HDPE) and Polypropylene (PP) Woven Sacks, PP fabric, BOPP Bags, Container Bags, Pond Liners, Mulch Films, Tarpaulin (under the brand name- TIGER TARPAULIN) and Flexible Packaging etc. for export and domestic markets. Other ranges of products are sold under the brand name-COMSYN.

Company's customer base is spread across the globe with major presence in European Union, United Kingdom, United States & Latin America. The majority of our sales are through exports which contributed 76.98%, 81.74%, 78.32%, 76.35% respectively to our total sales for the year ended March 31, 2017, 2016, 2015, 2014 respectively. The Company has also been recognized by Government of India as an Export House.

The Company is continuously doing Research & Development Activities to produce best of its products as per the need of customers. The Market is growing in Developing countries rather than developed countries. The Company offers various packaging solutions for wide range of end users such as Construction, Agriculture, Asbestos Waste Removal, Bulk Packaging, Household Waste Removal, Human Safety, Gardens, Green houses, Shelter, Grain, Pulses, Animal Food, Seeds, Fertilizers, Chemicals, Food Products etc.

(b) Opportunities and Threats

The Company has adequate production capacity to meet the increased demand of the Customers. The Company has wide basket of products which caters to the customers across the globe and R&D Department of the Company looks after the innovation and also take into consideration the standards laid down under the ISO certification. Your company is also having BIS Certification for separate clean room facilities situated at Unit-I for manufacturing of packaging material to be used for food and nonfood application. After completion of SEZ Expansion and full-fledged production at SEZ Unit, the Company will be able to cater the requirements for food grade bags of customers. We are an approved supplier of various Government authorities, large public and private sector industries. Due to increased overseas demand and technological advancement the Company has wide opportunities to expand its business operations and product base across the Globe.

For operational efficiency and reduction in power cost the Company has also installed 1.0 MW (1.2 MW peak (p)) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) on 23rd March, 2017. The electricity generated through Solar Power Generation System is being used as captive consumption for the manufacturing units situated at Pithampur.

Your Company has been appointed DCA cum stockiest for ONGC Petro Additions Limited (OPAL), which will strengthen the presence of your company in domestic market.

Volatility of Oil, currency & transportation cost, increased competition are some major threats. Being a labor oriented industry with high requirement of skilled labor, shortage of labor is a major risk associated with the sector, however the Company has put in place adequate system to monitor labor requirement and have implemented skilled development training program within the premises.

(c) Segment-wise or product-wise performance

Primary Segment (by Business Segment): The company is primarily engaged in the business of manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging which mainly have similar risk and returns. The company's business activities fall within a single geographical and business segment (Woven sack, Fabric, Tarpaulin & Liner); hence it has no other primary reportable segment.

Secondary Segment (by Geographical demarcation): The secondary segment is based on geographical demarcation i.e. in India and outside India.

(Rs. in Lakhs)

Particulars	2016-2017		2015-2016	
	In India	Outside India	In India	Outside India
Segment Revenue (Gross)	2855.94	9552.17	2231.81	9986.03
Total Revenue	12408.11		12217.84	

(d) Future Outlook

Driven by lightweight, customized product features, user-friendly, sustainability advantages and enhanced packaging options the product base of the Company has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the domestic market, the industry is also envisaged to receive a boost from agriculture, mineral, petrochemical industries and various industrial markets who are opting for FIBC as packaging option. Internationally, the FIBC industry is estimated to demonstrate firm growth driven by demand from new markets like Latin & Central America, Eastern Europe & some parts of Africa. Also, acceptability and increase in usage by the pharmaceutical and food industry across the globe will have positive impact.

(e) Risks and concerns, internal control systems and their adequacy.

The Company is engaged in the business of manufacturing and export of containers and packaging materials, which is associated with normal business risk as well as the imbalance of demand-supply of products in the domestic as well as international market. We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. The Company has a well defined Policy for Risk Mitigation on foreign exchange by adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly affect our business operations.

The Company has a Risk Management Policy and adequate Internal Control System in place. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting,

evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management; in order to guide decisions on risk related issues. Internal Control System is commensurate with the size, scale and complexity of its operations. The Company continuously reviews its various types of regulatory, financial, operational, environmental and other business risks. There are adequate systems to ensure compliance of all various statutory and regulatory requirements and review the same from time to time and to take appropriate actions from time to time.

(f) Discussion on financial performance with respect to operational performance.

The Directors' Report has specifically dealt with the subject under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'.

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

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2017 we have 1040 employees on payroll. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

Cautionary Statement

Statements in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

For and on behalf of the Board

Place: Indore
Date: 4th August, 2017

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

INDEPENDENT AUDITOR'S REPORT

The Members,
COMMERCIAL SYN BAGS LIMITED,
Indore.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profits and cash flows for the year ended on that date.

Report on other Legal and other Regulatory Requirements

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

2. As required by section 143(3) of the Act, we report that:
- a. We have 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of the Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. With respect to the other matters 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 explanation given to us:
 - (i) As informed to us the Company does not have pending litigation which could impact its financial position,
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses,
 - (iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
 - (iv) The Company has provided requisite disclosure in its Financial statements as regards dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

Place: Indore
Date: 29/05/2017

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

CA Ashok Agrawal
(Partner)
M. No.: 071274

ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All these fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) Physical verification of inventory, at all locations, except in transit (if any) and lying with third parties has been conducted at reasonable intervals by the management. No material discrepancy was noticed during such verifications.
- (iii) (a) The company did not give any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, sub-clause (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us and on the basis of our checking during the course of audit, the company has not accepted any deposits.
- (vi) the Central Government has not specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities. There was no such outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable except for -

Name of the Statue	Nature of Amount Due	Amount	Period to which the amount relates
Income Tax Act	Interest on TDS and Fee u/s 234E	107289	Financial Year 2007-08 to 2012-13
Income Tax Act	Income Tax	121110	Financial Year 2011-12
Income Tax Act	Interest on TDS and Fee u/s 234E	98324	Financial Year 2013-14
Income Tax Act	Interest on TDS and Fee u/s 234E	6487	Financial Year 2014-15
Income Tax Act	Interest on TDS and Fee u/s 234E	5819	Financial Year 2015-16

- (b) According to information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except demand under income tax act, and sales tax act and custom and excise act as follows:

Name of the Statue	Nature of Amount Due	Amount	Amount paid in dispute	Period to which the amount relates	Forum where the dispute is pending for CARO
State and Central Sales Tax act	Tax interest and penalty	276162	29000	Financial Year 2014-15	Assistant Commissioner of Commercial tax, Indore
Income Tax Act	Income Tax	199210	Nil	Financial Year 2013-14	Dy. CIT, Circle 1(2)
Central excise act 1944 and customs act, 1962	Fine and penalty	260397	29349	Financial Year 2014-15	CESTAT, New Delhi

- (viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues of debenture holders.
- (ix) The Company raised money by way of initial public offer. The Company also raised money by way of term loans. The moneys raised by the Company has been applied for the purpose for which they are raised.
- (x) Based upon audit procedures performed and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. However, in the preceding financial year 2015-16, the company allotted 64,69,050 fully paid up equity shares as bonus to the existing shareholders in the ratio of 1:3 .
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Indore
Date: 29/05/2017

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

CA Ashok Agrawal
(Partner)
M. No.: 071274

ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2017

We have audited the internal financial controls over financial reporting of M/S Commercial Syn Bags Limited (“the Company”) as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

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

Opinion

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

Place: Indore
Date: 29/05/2017

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

CA Ashok Agrawal
(Partner)
M. No.: 071274

BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Note No.	As at	As at
		31.03.2017	31.03.2016
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	118,174,000	86,254,000
(b) Reserves & Surplus	4	296,010,304	202,188,760
		414,184,304	288,442,760
(2) Non-current liabilities			
(a) Long-term borrowings	5	53,514,971	76,683,963
(b) Deferred tax liabilities(Net)	6	25,657,669	18,660,720
		79,172,640	95,344,683
(3) Current liabilities			
(a) Short-term borrowings	7	193,586,924	139,068,198
(b) Trade Payables	8		
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		88,928,058	72,705,360
(c) Other current liabilities	9	158,484,900	75,680,620
(d) Short term provisions	10	6,685,821	14,161,183
		447,685,703	301,615,361
TOTAL		941,042,648	685,402,804
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets	11		
(i) Tangible assets		347,206,828	306,094,705
(ii) Capital work-in-progress		10,409,000	-
(b) Long-term loans and advances	12	10,508,278	8,779,874
(c) Other non-current assets	13	215,074	215,074
		368,339,180	315,089,653
(2) Current assets			
(a) Inventories	14	219,365,876	157,290,804
(b) Trade Receivables	15	154,962,721	143,083,488
(c) Cash and cash equivalents	16	53,400,987	23,292,020
(d) Short-term loans and advances	17	132,764,241	43,129,373
(e) Other current assets	18	12,209,644	3,517,465
		572,703,468	370,313,150
TOTAL		941,042,648	685,402,804

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of the Company

For Gupta & Ashok
Chartered Accountants
FRN : 002254C

Anil Choudhary
Chairman & Managing Director
DIN - 00017913

Ranjana Choudhary
Whole Time Director
DIN - 03349699

CA Ashok Agrawal
Partner
M.No. 071274

Abhishek Jain
Chief Financial Officer

Megha Parmar
Company Secretary
M.No. ACS 37111

Place : Indore

Dated : 29.05.2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2017

Particulars	Note No.	For the Year ended on 31.03.2017	For the Year ended on 31.03.2016
		₹	₹
Continuing Operations			
I. Revenue from operations (Gross)	19	1,240,810,808	1,221,783,936
Less: Excise Duty		50,663,400	49,649,181
Revenue from operations (Net)		1,190,147,408	1,172,134,755
II. Other Income	20	19,669,415	6,104,927
III. Total Revenue (I + II)		1,209,816,823	1,178,239,682
IV. Expenses:			
Cost of material consumed	21	732,411,817	689,706,909
Purchase of traded goods	22	1,256,168	2,558,972
Changes in inventories of finished goods, work in progress and stock in trade	23	(65,051,688)	357,428
Employees benefit expenses	24	157,735,144	108,519,295
Finance cost	25	25,406,915	32,480,555
Depreciation and amortisation expenses	26	36,053,132	31,273,683
Other expenses	27	246,121,012	231,962,799
Total Expenses		1,133,932,501	1,096,859,641
V. Profit(Loss) before tax (III - IV)		75,884,322	81,380,041
VI. Tax expense:			
(1) Current tax		(15,716,823)	(20,561,741)
(2) Deferred tax		(6,996,948)	(1,526,783)
Profit(Loss) for the period from continuing operations (V -VI)		53,170,551	59,291,517
Profit(Loss) for the period		53,170,551	59,291,517
VII. Earning per equity share:	28		
Basic		4.87	6.87
Diluted		4.87	6.87

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of the Company

For Gupta & Ashok
Chartered Accountants
FRN : 002254C

Anil Choudhary
Chairman & Managing Director
DIN - 00017913

Ranjana Choudhary
Whole Time Director
DIN - 03349699

CA Ashok Agrawal
Partner
M.No. 071274

Abhishek Jain
Chief Financial Officer

Megha Parmar
Company Secretary
M.No. ACS 37111

Place : Indore
Dated : 29.05.2017

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

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Cash Flow from Operating activities		
Profit before tax from continuing operations	75,884,322	81,380,041
Profit before tax from discontinuing operations	0	0
Profit before tax	75,884,322	81,380,041
<i>Non cash adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation/amortisation on continuing operations	36,053,132	31,273,683
Loss(Profit) on sale of fixed assets	3,696,043	0
Interest expenses	25,406,915	27,413,565
Interest income	(2,414,619)	(5,066,990)
Operating profit before changes in working capital	138,625,793	135,000,300
<i>Movements in working capital:</i>		
Increase(decrease) in trade payable	16,222,698	18,591,613
Increase(decrease) in short term provisions	(7,475,361)	(2,966,701)
Increase(decrease) in other current liabilities	95,201,760	(58,987,942)
Decrease(increase) in trade receivables	(11,879,232)	7,610,399
Decrease(increase) in inventories	(62,075,072)	(14,188,887)
Decrease(increase) in long term loans and advances	(1,728,404)	(2,002,634)
Decrease(increase) in short term loans and advances	(89,634,868)	(5,169,673)
Decrease(increase) in other current assets	(8,692,179)	2,689,264
Decrease(increase) in other non-current assets	0	23,253
Decrease(increase) in bank balances(other than cash equ)	(29,527,892)	33,005,385
Cash generated from(used in) operations	39,037,242	113,604,376
Direct taxes paid (net)	(15,718,833)	(20,561,741)
Cash flows from operating activities	23,318,409	93,042,636
Cash Flow from investing activities		
Purchase of fixed assets, CWIP and capital advances	(93,745,517)	(38,299,851)
Proceeds from sale of fixed assets	2,475,219	0
Interest received	2,414,619	5,066,990
Cash flows from investing activities	(88,855,679)	(33,232,861)
Cash Flow from financing activities		
Proceeds of issuance of share capital	31,920,000	0
Proceeds of securities premium on issuance of share capital	44,688,000	0
Proceeds of capital subsidy received	0	1,500,000
Repayment of long term borrowings	(35,566,472)	(2,360,691)
Proceeds from short term borrowings	54,518,725	0
Repayment of short term borrowings	0	(32,093,655)
Interest paid	(25,406,915)	(27,413,565)
Stamp Duty paid on increase in Authorized Capital	0	(967,500)
Share issue expenses	(4,034,996)	0
Cash flow from financing activities	66,118,343	(61,335,412)
Components of cash and cash equivalents		
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENTS	581,073	(1,525,637)
Opening Cash Equilants	2,627,345	4,152,983
Cash on hand	2,399,594	2,173,334
in current accounts	808,826	454,011
Total cash and cash equivalents	3,208,420	2,627,345

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of the Company

For Gupta & Ashok
Chartered Accountants
FRN : 002254C

CA Ashok Agrawal
Partner
M.No. 071274

Place : Indore
Dated : 29.05.2017

Anil Choudhary
Chairman & Managing Director
DIN - 00017913

Abhishek Jain
Chief Financial Officer

Ranjana Choudhary
Whole Time Director
DIN - 03349699

Megha Parmar
Company Secretary
M.No. ACS 37111

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017
1 Corporate Information

Commercial Syn Bags Limited (the "Company") was incorporated in India on 10th December, 1984. The company is BSE SME listed company and the Shares in the company got listed on BSE SME Platform on 14th July, 2016. The company is the manufacturer and exporters of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging. The company has installed the solar power generating system at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist Mandsaur for generation of electricity for captive consumption in its own manufacturing units.

2 Summary of significant accounting policies forming part of financial statements
Basis of Preparation

Financial statements are prepared under historical cost convention on accrual basis, except in case of Leave encashment which is accounted for on cash basis.

Retirements Benefits

1. Provident Fund & ESIC.
Periodical Contributions charged as expenses.
2. Gratuity
The Company is under the Group Gratuity Scheme of Life Insurance Corporation of India. The company accounts on cash basis for gratuity equivalent to the contribution paid to fund and gratuity is directly paid to any employee from that fund. Provision is made for any shortfall in the contribution to fund or gratuity payable to any employee at the Balance-Sheet Date.
3. Leave Encashment
Leave encashment is accounted for on payment basis. Company compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

Export Benefits

Export Benefit on export sales are accounted for on accrual basis

Foreign Currencies Transaction

- a) Foreign Currency transactions of revenue nature are accounted at exchange rate prevailing on the date the transactions takes place. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate ruling on that date.
- b) Foreign Exchange Fluctuation (Profit/Loss) arising in respect of foreign currency transactions relating to sales & purchases are adjusted in sales and purchases respectively

Excise Duty

Liability for excise duty in respect of goods manufactured by the company is accounted upon completion of manufacture and provision is made for excisable manufactured goods lying in stock.

VAT

Purchase of raw material and assets are considered after deducting the VAT. Sales are also accounted for net of VAT payable.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortisation. The cost of fixed assets includes taxes, freight and other incidental expenses relating to the acquisition and installation of the respective assets. An appropriate charge of pre-operative expenses, interest and commitment charges incurred upto the date of installation of fixed assets is also capitalised.

Depreciation and amortisation

Depreciation on tangible assets has been calculated on straight line method taking life of the assets as given in the Schedule - II of Companies Act, 2013 on 95% of value of assets.

Borrowing costs

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

Impairment of assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.

Inventories

Inventories are valued taking FIFO method at the lower of cost and net releasable value except wastage which is valued at net realisable value. RM, WIP and finished goods include proportionate overheads.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known/materialised.

Revenue recognition

Revenue are recognized to the extent that it is probable that economic benefit will flow to the company and revenue can be reliably measured. It is accounted for net of trade discounts and sales return. Interest and rent are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

For revenue from services, performance is recognised under the proportionate completion method and performance is regarded as being achieved when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering of services.

Income Taxes

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income - tax Act, 1961. Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Provisions

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.

Contingent Liabilities and Contingent Assets

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term (three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

Government Grants

- Government grants are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them and (ii) the grants will be received.
- Government grants related to specific fixed assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the asset concerned in arriving at their book value.
- Government grants related to revenue are recognized on a systematic basis in the profit and loss account over the periods necessary to match them with the related costs which they are intended to compensate by deducting from the related expense.
- Government grants in the nature of promoter's Contribution or to set up an industrial unit which are not related to specific fixed asset are credited to Capital reserve and treated as part of Shareholders fund.

3 Share Capital

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of ₹ 10/- each as follows:

	As at 31.03.2017	As at 31.03.2016
	₹	₹
(a) Authorised :- 13000000 Equity Shares of ₹ 10/- each (Previous year 13000000 Equity Shares of ₹ 10/-each)	130,000,000	130,000,000
	130,000,000	130,000,000

	As at 31.03.2017	As at 31.03.2016
	₹	₹
(b) Issued and Subscribed :- 11817400 equity shares of ₹10/- each (Previous year 8625400 Equity Shares)	118,174,000	86,254,000
(c) Fully Paid up Capital :- 11817400 equity shares of ₹10/- each (Previous year 8625400 Equity Shares)	118,174,000	86,254,000
Total paid up capital	118,174,000	86,254,000

(d) Shares held by shareholder holding more than 5% share in the company	31.03.2017		31.03.2016	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<u>Equity</u>				
Veenal Choudhary	520800	4.41	520800	6.04
Anil Choudhary HUF	470620	3.98	470620	5.46
Anil Choudhary	449200	3.80	449200	5.21
Ashok Kumar Agrawal	500000	4.23	500000	5.80
Mohanlal Choudhary	539000	4.56	539000	6.25
Pradeep Kumar Agrawal	871560	7.38	871560	10.10
Super Sack Pvt Ltd	3114000	26.35	3114000	36.10

(e) Reconciliation of outstanding shares at the beginning and at the end of the reporting period	31.03.2017		31.03.2016	
	No. of shares	₹	No. of shares	₹
(i) at the beginning of the period	8625400	86,254,000	2156350	21,563,500
(ii) Issued during the period - Bonus shares		-	6469050	64,690,500
(iii) Shares allotted/issued	3192000	31,920,000	-	-
(iv) Outstanding at the end of the period	11817400	118,174,000	8625400	86,254,000

(f) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Bonus Shares

The company has allotted 6469050 fully paid up Equity Shares of face value of Rs. 10/ each during the financial year 2015-2016 pursuant to the bonus issue approved by the shareholders at their Extraordinary General Meeting held on 15th March, 2016 in the ratio of 3 equity shares for every 1 Equity Share held on record date. The record date fixed by the Board of Directors for issue of Bonus Shares is 15th March, 2016. Except this the Company has not made any allotment of shares as Bonus Shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

4. Reserves and surplus	31.03.2017	31.03.2016
	₹	₹
Capital reserve		
Opening Balance	11,880,700	10,380,700
Capital subsidy received during the year	-	1,500,000
Closing Balance	11,880,700	11,880,700
Security Premium Reserve		
Opening Balance	-	42,902,750
Add : Premium on shares issued during the year	44,688,000	-
Less: Utilised during the year for:		
Issuing bonus shares	-	42,902,750
Writing off shares issue expenses	4,034,996	-
Closing balance	40,653,004	-
General Reserve		
Opening Balance	1,088,344	1,088,344
Closing balance	1,088,344	1,088,344
Surplus (deficit) in the statement of Profit & Loss		
Balance as per last financial statement	189,219,716	152,683,449
Profit(loss) during the year	53,170,551	59,291,517
Less: Appropriations		
Prior Period Taxations	2,010	-
Less: Utilised during the year for:		
Issuing bonus shares	-	21,787,750
Write off Registration Fees and Stamp Duty on increase in Authorised Capital	-	967,500
Net surplus in the statement of profit and loss	242,388,256	189,219,716
Total reserves and surplus	296,010,304	202,188,760

5. Long-term borrowings	Non-current portion		Current maturities	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	₹	₹	₹	₹
Term loans				
From Banks				
secured	33,954,793	55,969,035	18,245,941	30,643,421
Loans and advances from related parties				
unsecured	5,403,369	4,823,369	0	0
Other loans and advances				
unsecured	14,156,809	15,891,559	0	0
	53,514,971	76,683,963	18,245,941	30,643,421
The above amount includes:				
secured borrowings	33,954,793	55,969,035	18,245,941	30,643,421
unsecured borrowings	19,560,178	20,714,928	0	0
Amount disclosed under the head current liabilities			18,245,941	30,643,421
Net Amount	53,514,971	76,683,963	0	0

Term loans from Bank of India (balance ₹ 19369894) and working capital loan is secured by exclusive charge by way of hypothecation of entire stock of inventory, receivable, bills and other chargeable current assets of the company, both present and future, lying at business place at factory location or elsewhere and for cash credit SEZ Unit exclusive charge by way of hypothecation of entire stock of inventory, receivables, bills and other chargeable current assets of the Company, both present and future lying at business place at factory location or elsewhere. Also secured by first charge over fixed assets of the company including factory land and building situated at S-4/3, S-4/2 and S-4/3A Pithampur, Sector I, Dist. Dhar on unit No. I and also secured by first charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also secured by exclusive charge by way of EQM over company's staff quarters situated at plot No. 40 to 45, Shalimar Residency, Mhow, Dist. Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and exclusive charge by way of EQM over company's factory building (SEZ Unit) constructed on Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and further secured by exclusive charge by way of hypothecation over company's SEZ Unit's Plant and Machineries proposed to be acquired by the company from Term Loan and exclusive charge by way of hypothecation over company's SEZ Unit's Furniture and Fixtures proposed to be acquired by the company from Term Loan and collaterally and exclusively secured by equitable mortgage of Block A and B of office premises situated at 3-4 Jaora Compound, Indore belonging to company and also collaterally secured by exclusive charge by way of EQM of leasehold plot no B-18 at Special Economic Zone, Phase-I, Pithampur, District Dhar (Indore) MP admeasuring 3825.70 square meter allotted by MP Audyogik Kendra Vikas Nigam (Indore) Limited (MPAKVN) to the company and collaterally secured by second charge over Fixed Assets of the company including Factory Land and Building situated at S-4/3, S-4/2 and S-4/3A, Pithampur, Sector - 1, District Dhar on Unit - I and exclusive second charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also by exclusive second charge by way of EQM over company's staff quarters situated at Plot No. 40 to 45, Shalimar Residency, Mhow Dist Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) building and hypothecation on Plant and Machineries, Furniture and Fixtures situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur Dist Dhar M.P. Term loans and working capital loans are also personally guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Shri Pradeep Kumar Agrawal, Shri Shambhu Dayal Garg and Shri Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Term loan from Bank of Baroda (balance ₹ 29570601) is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters, situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar Regd. A-1/1930 dated 17/09/09 standing in the name of company and hypothecation of entire machinery, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at the above mentioned factories, present and future. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.) and Factory Building constructed thereon and standing in the name of the company and hypothecation of entire machineries, electrical installations, furniture & fixtures, office equipments and other movable fixed assets of the company, situated at the abovementioned factories present and future. The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building to be constructed thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the abovementioned factories, present and future. The loan is further secured by exclusive 1st Charge by way of hypothecation of entire machineries, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company situated at the above mentioned factories present and future. Exclusive 1st charge by way of hypothecation of entire machineries, electrical installations, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future. The loan is further secured by exclusive 1st charge by way of hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book-debts of the company (Unit - II & Unit - III), both present and future. The term loan and working capital is guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Bank of India Term Loan (Balance ₹ 1909803) is secured by hypothecation of one Skoda Octavia car. The principal amount is repayable in 84 monthly installments of varying amounts from ₹ 17263 to ₹ 34667. Last installment is payable in Feb 2023. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 270196) is secured by hypothecation of one Maruti Omni Ambulance. The principal amount is repayable in 60 monthly installments of varying amounts from ₹ 3795 to ₹ 6212. Last installment is payable in August 2021. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 400088) is secured by hypothecation of one Mahindra Bolero Maxi Truck Plus. The principal amount is repayable in 84 monthly installments of varying amounts from ₹ 3436 to ₹ 6882. Last installment is payable in August 2023. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 680152) is secured by hypothecation of one Maruti Vitara Brezza car. The principal amount is repayable in 60 monthly installments of varying amounts from ₹ 9185 to ₹ 14487. Last installment is payable in November 2021. There is no continuing default in repayment of loan or interest.

There is no continuing default in repayment of any loan and interest of any bank.

Particulars of Term Loan from Bank of India (Balance ₹ 19369894)

Term loan No. I from Bank of India (balance on 31-03-17 ₹ 8559505) is repayable from Dec 13 comprising of first 6 installments of ₹ 8.00 Lakhs each and remaining 16 installments of ₹ 9.50 Lakhs each. Term loan No. II from Bank of India (balance on 31-03-17 ₹ 10810389) is repayable in quarterly installments comprising first 7 installments of ₹ 60.00 Lakhs each, next 16 installments of ₹ 76.00 Lakhs each and the remaining 3 installments of ₹ 88.00 Lakhs each commencing from March, 2018

Particulars of Term Loan from Bank of Baroda (Balance ₹ 29570601)

Term Loan I from Bank of Baroda (Balance on 31-03-17 ₹ 6459610) is repayable in 22 quarterly installments being first 12 installments of ₹ 1.75 Lakhs each, 9 installments of ₹ 9.90 Lakhs & Last installment of ₹ 5.90 Lakhs each. Term Loan II from Bank of Baroda (Balance on 31-03-17 ₹ 1688952) is repayable in 28 quarterly installments being first 5 installments of ₹ 4.50 Lakhs each, 8 installments of ₹ 6.75 Lakhs each, 8 installments of ₹ 9.00 Lakhs each, 4 installments of ₹ 10.125 Lakhs each and last 3 quarterly installments of ₹ 12.00 Lakhs each commencing from 28th Feb, 2015. Term Loan III from Bank of Baroda (Balance on 31-03-17 ₹ 21422039) is repayable in 7 years including 15 months moratorium period with 23 graded quarterly installments commencing after initial moratorium of 15 months from the date of 1st disbursement. The repayment will be in 4 quarterly installments of ₹ 4.06 Lakhs each, 4 quarterly installments of ₹ 8.13 Lakhs each, 4 quarterly installments of ₹ 12.19 Lakhs each, 4 quarterly installments of ₹ 20.31 Lakhs each, 4 quarterly installments of ₹ 20.31 Lakhs each and 3 quarterly installments of ₹ 21.67 Lakhs each commencing from 31st December 2016)

In case of all unsecured loans, there is no repayment schedule. Therefore there is no continuing default in repayment of any loan or interest.

6	Deferred tax liabilities/assets (net)	31.03.2017	31.03.2016
		₹	₹
	Deferred tax liability		
	Timing difference on account of		
	Depreciation	(27,063,131)	(19,262,394)
	Others	-	-
		(27,063,131)	(19,262,394)
	Deferred tax asset		
	Timing difference on account of		
	Expenses allowable on payment basis	1,405,462	601,674
		1,405,462	601,674
	Net Deferred Tax	(25,657,669)	(18,660,720)
7	Short term borrowings	31.03.2017	31.03.2016
		₹	₹
	Loans repayable on demand		
	Cash Credit Loan from Bank of Baroda (Unit II)	40,555,373	24,239,519
	Cash Credit Loans from Bank of India (Unit - I)	153,031,551	114,828,680
		193,586,924	139,068,198
	The above amount includes:		
	Secured borrowings	193,586,924	139,068,198
		193,586,924	139,068,198

Working Capital Loan from Bank of India (balance ₹ 153031551) is also secured together with term loan (balance ₹ 19369894 as mentioned in Note No. 5) by exclusive charge by way of hypothecation of entire stock of inventory, receivable, bills and other chargeable current assets of the company, both present and future, lying at business place at factory location or elsewhere and for cash credit SEZ Unit exclusive charge by way of hypothecation of entire stock of inventory, receivables, bills and other chargeable current assets of the Company, both present and future lying at business place at factory location or elsewhere. Also secured by first charge over fixed assets of the company including factory land and building situated at S-4/3, S-4/2 and S-4/3A Pithampur, Sector I, Dist. Dhar on unit No. I and also secured by first charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also secured by exclusive charge by way of EQM over company's staff quarters situated at plot No. 40 to 45, Shalimar Residency, Mhow, Dist. Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and exclusive charge by way of EQM over company's factory building (SEZ Unit constructed on Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and further secured by exclusive charge by way of hypothecation over company's SEZ Unit's Plant and Machineries proposed to be acquired by the company from Term Loan and exclusive charge by way of hypothecation over company's SEZ Unit's Furniture and Fixtures proposed to be acquired by the company from Term Loan and collaterally and exclusively secured by equitable mortgage of Block A and B of office premises situated at 3-4 Jaora Compound, Indore belonging to company and also collaterally secured by exclusive charge by way of EQM of leasehold plot no B-18 at Special Economic Zone, Phase-I, Pithampur, District Dhar (Indore) MP admeasuring 3825.70 square meter allotted by MP Audyogik Kendra Vikas Nigam (Indore) Limited (MPAKVN) to the company and collaterally secured by second charge over Fixed Assets of the company including Factory Land and Building situated at S-4/3, S-4/2 and S-4/3A, Pithampur, Sector - 1, District Dhar on Unit - I and exclusive second charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also by exclusive second charge by way of EQM over company's staff quarters situated at Plot No. 40 to 45, Shalimar Residency, Mhow Dist Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) building and hypothecation on Plant and Machineries, Furniture and Fixtures situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur Dist Dhar M.P. Term loans and working capital loans are also personally guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Shri Pradeep Kumar Agrawal, Shri Shambhu Dayal Garg and Shri Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Working Capital from from Bank of Baroda (balance ₹ 40555373) is also secured together with term loan (balance ₹ 29570601 as mentioned in Note. No. 5) by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters, situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar Regd. A-1/1930 dated 17/09/09 standing in the name of company and hypothecation of entire machinery, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at the above mentioned factories, present and future. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.) and Factory Building constructed thereon and standing in the name of the company and hypothecation of entire machineries, electrical installations, furniture & fixtures, office equipments and other movable fixed assets of the company, situated at the abovementioned factories present and future. The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building to be constructed thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the abovementioned factories, present and future. The loan is further secured by exclusive 1st Charge by way of hypothecation of entire machineries, electrical installtion, furniture and fixtures, office equipments and other movable fixed assets of the company situated at the above mentioned factories present and future. Exclusive 1st charge by way of hypothecation of entire machineries, electrical installations, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future. The loan is further secured by exclusive 1st charge by way of hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book-debts of the company (Unit - II &

Unit - III), both present and future. The term loan and working capital is guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited. The company has taken Loan against deposit of Fixed/Short Deposit. The loan amount is ₹ 240.00 Lakhs and the Fixed Deposit is of ₹ 270.00 Lakhs to meet the short term fund requirement. The lien is noted against Fixed Deposit Receipt (Account No. 33220300009075) by the bank.

8	Trade Payables	31.03.2017	31.03.2016
		₹	₹
	Acceptances	-	-
	Other than acceptances	-	-
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	88,928,058	72,705,360
		88,928,058	72,705,360
9	Other Current liabilities	31.03.2017	31.03.2016
		₹	₹
	Current maturities of long term debt	18,245,941	30,643,421
	Interest accrued but not due on borrowings	254,812	89,375
	Outstanding liability for payables	26,969,242	16,908,151
	T.D.S./T.C.S. Payable	516,670	1,017,911
	Creditors for Capital Goods	64,305,467	21,485,621
	Advances from Customers	47,816,280	5,290,519
	Employees Security Deposit	376,488	245,623
		158,484,900	75,680,620
10	Short term provisions	31.03.2017	31.03.2016
		₹	₹
	Provision for employee benefits for gratuity	4,250,861	1,819,779
	Others:		
	for Excise Duty on Closing Stock.	2,434,960	2,498,379
	for income tax (net of Advance Tax & TDS/TCS) [Previous Year Advance Tax & TDS/TCS ₹ 10718716]	-	9,843,025
		6,685,821	14,161,183

11. Fixed Assets:

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2016	Addition	Sales/ Adjustment	As at 31.03.2017	Upto 31.03.2016	For the year	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
A. OWNED ASSETS									
Site Development	261,777			261,777	74,458	6,893	81,350	180,427	187,319
Factory Building (Building Demolished)	120,584,232	2,826,411	6,784,692	123,410,643	12,944,280	3,797,017	16,741,297	106,669,346	107,639,952
Office Building	403,029			403,029	160,085	6,215	166,300	236,729	242,944
Plant and Machinery	250,547,756	72,597,154		323,144,910	102,132,772	28,440,339	130,573,111	192,571,799	148,414,984
Furniture & Fixtures	5,359,359	587,959		5,947,318	1,751,586	531,148	2,282,734	3,664,584	3,607,773
Computer	3,818,044	451,663		4,269,707	2,909,768	469,356	3,379,123	890,584	908,276
Vehicles	12,272,869	1,984,401		14,257,270	3,970,846	1,607,403	5,578,249	8,679,021	8,302,023
Vehicles (sold during the year)	902,549		902,549	-	472,502	61,771	-	-	430,047
Equipments	660,075			660,075	571,085	22,577	593,661	66,414	88,990
Freehold Land	1,327,460	1,005,909		2,333,369	-		-	2,333,369	1,327,460
Building [other than Factory Building]	14,962,816			14,962,816	98,659	236,911	335,570	14,627,246	14,864,157
Total (A)	417,884,657	79,453,497	7,687,241	489,650,913	125,868,631	35,378,744 (1,515,979)	159,731,396	329,919,518	292,016,026
Previous Year	349,125,174	71,422,122	2,662,639	417,884,657	95,186,756	30,681,875	125,868,631	292,016,026	253,938,418
B. LEASED ASSETS									
Lease Hold Land	16,571,341	3,883,020	-	20,454,361	2,492,662	674,388	3,167,051	17,287,310	14,078,679
Total (B)	16,571,341	3,883,020	-	20,454,361	2,492,662	674,388	3,167,051	17,287,310	14,078,679
Previous Year	16,571,341	-	-	16,571,341	1,900,853	591,809	2,492,662	14,078,679	14,670,488
Total (A) + (B)	434,455,998	83,336,517	7,687,241	510,105,274	128,361,293	36,053,132	162,898,446	347,206,828	306,094,705
Previous Year (A) + (B)	365,696,515	71,422,122	2,662,639	434,455,998	97,087,610	31,273,683	128,361,293	306,094,705	268,608,906
Capital Work in Progress	-	10,409,000	-	10,409,000	-	-	-	10,409,000	-
Previous Year	30,459,632	16,850,984	47,310,616	-	-	-	-	-	30,459,632

12	Long Term Loans and advances	31.03.2017	31.03.2016
		₹	₹
	Other loans and advances		
	Balance with Govt. authorities	10,508,278	8,779,874
	Total	10,508,278	8,779,874

13	Other non-current assets	31.03.2017	31.03.2016
		₹	₹
	(i) Other than long term trade receivable		
	Income Tax Appeal(1994-95)	215,074	215,074
	Total	215,074	215,074

14	INVENTORIES	31.03.2017	31.03.2016
		₹	₹
	Valued at lower of cost and net realisable value except wastage which is valued at net realisable value		
	Raw Materials	48,454,261	55,317,201
	Work-in-progress	132,929,831	67,498,788
	Finished goods	24,465,569	24,844,923
	Stock in trade	23,211	23,211
	Stores and spares	13,493,005	9,606,681
		219,365,876	157,290,804

Details of inventory

Raw Materials

Plastic Granules	42,165,213	38,023,614
Master Batch	4,214,425	4,960,391
Fabric	-	6,219,168
Bopp Film	154,040	2,051,027
Belt	1,096,834	1,785,505
Thread / Crimpt yarn / Filler Cord	711,987	2,056,650
Liner	91,791	98,899
Filler Cord	19,971	121,947
	48,454,261	55,317,201

Work in Progress/Semi Finished Goods

Fabric (at Jobwork)	33,089,163	12,857,551
Fabrilated Thread	4,388,659	1,304,781
Re Process Granules	786,353	309,905
Goods in Process	85,507,275	44,117,025
U L F/LF/BSLF/BSLF-II/BELT	9,158,381	8,909,526
Goods in Process	132,929,831	67,498,788

Finished goods

HDPE Bags (FIBC)	21,120,272	18,633,770
HDPE Bags	1,174,998	2,951,396
Tarpauline(In SQF)	1,717,049	2,264,369
HDPE Wastage	293,540	162,475
Liner	159,709	832,914
	24,465,569	24,844,923

	31.03.2017	31.07.2016
Stock in trade	₹	₹
Fabric (HO)	5,538	5,538
Bags	788	788
Fabrics (as such)	16,885	16,885
	23,211	23,211
Stores and Spares		
Printing Ink	1,344,765	1,297,157
Thinner	47,597	99,726
M.I.B.K	23,404	12,906
Ethyl Acetate	98,748	158,404
Toluene Duty Paid	-	23,763
Oil	38,435	101,376
Diesel	222,318	64,597
Box Strips	3,079	102,379
Liner/Film	-	10,328
HDPE/PP Rope	31,686	9,218
Butanol	16,875	8787
Plant Maintenance (Spare Parts)	11,666,099	7,718,041
	13,493,005	9,606,681
15 TRADE RECEIVABLES	31.03.2017	31.03.2016
	₹	₹
<u>Trade receivables outstanding for a period exceeding six months from they were due for payment</u>		
(a) Unsecured, considered good	8,930,907	5524059
	8,930,907	5524059
<u>Other Trade receivables</u>		
(a) Unsecured, considered good	146,031,814	137,559,429
	146,031,814	137,559,429
Total	154,962,721	143,083,488
16 CASH AND CASH EQUIVALENTS	31.03.2017	31.03.2016
	₹	₹
Cash on hand	2,399,594	2,173,334
Balances with banks		
in current accounts	808,826	454,011
Balances with bank held as margin money	49,040,669	20,320,937
Interest accrued on term deposits (with bank held as margin money)	1,151,898	343,738
Total	53,400,987	23,292,020
Out of above balance of ₹ NIL (P.Y. R NIL) are with more than twelve months maturity		
17 SHORT TERM LOANS AND ADVANCES	31.03.2017	31.03.2016
	₹	₹
<u>Loans and advances to employees</u>		
Unsecured, considered good	295,381	372,876
	295,381	372,876

	31.03.2017	31.03.2016
	₹	₹
Others		
Excise Duty Recoverable	6,347,301	11,225,716
Excise Duty Recoverable on Capital Goods	886,916	1,189,378
for income tax (net of provision for Income Tax)	2,110,843	-
[Advance Tax & TDS/TCS ₹ 17827666]		
Export Benefits Receivable	20,450,111	9,118,780
VAT Refund Claim	4,976,684	5,700,000
VAT receivable	2,782,855	836,349
Entry Tax Receivable	409,474	-
Prepaid Expenses	1,969,944	1,330,683
Others		
Unsecured, considered good	92,534,732	13,355,591
	132,468,860	42,756,497
Total	132,764,241	43,129,373

18	OTHER CURRENT ASSETS	31.03.2017	31.03.2016
		₹	₹
	Rebate under Excise Law Receivable	5,023,795	2,445,216
	Security Deposit with BSE Limited	766,080	-
	Insurance Deposit	678,255	-
	Sales Tax Subsidy Receivable	4,593,137	-
	Expenses on Proposed Public Issue of Shares	-	310,000
	Gain on Forward Contracts	1,148,377	762,249
		12,209,644	3,517,465

19	REVENUE FROM OPERATIONS	31.03.2017	31.03.2016
		₹	₹
	Finished goods	1,220,945,139	1,204,709,953
	Traded good	8,848,241	9,420,488
	Other Operating Revenues	11,017,427	7,653,495
	Total	1,240,810,808	1,221,783,936
	Less: Excise Duty	50,663,400	49,649,181
		1,190,147,408	1,172,134,755

Details of Products sold and services rendered
A. List of Manufacturing Sales (Domestic)

Sale of HDPE/PP Tarpauline	In Sqft	80,665,710	43,976,668
Sale of HDPE/PP Bags	In Nos	43,488,296	71,148,718
Sale of ULF/LF/BSLF/BSLF-II/BELT	In Kgs	81,630,286	28,158,060
Sale of HDPE/PP Bags (FIBC)	In Nos	731,629	1,614,414
Sale of HDPE/PP Wastage	In Kgs	2,731,017	2,831,758
Sale of Liner/Film	In Kgs	20,409,226	25,424,901
Sale of Fabrilated Thread	In Kgs	640,083	337,213
Sale of Filler Cord	In Kgs	15,411	206,271
Sale of RP Granules	In Kgs	2,086,099	992,648
Sale of Electricity	In Units	1,560	-
		232,399,317	174,690,651
Add : Freight on Local Sales/Rope Charges/Other Exp		1,946,300	965,320
		234,345,617	175,655,971

B. Manufacturing Sales (Export) (Net of excise under rebate claim)

Fabric	In Kgs	19,461,134	19,394,618
F I B C Bags	In Nos	822,935,379	841,838,676
Bags	In Nos	62,907,099	82,250,003
Tarpauline	In Sqft	1,003,759	5,300,696
Belt	In Kgs	1,429	-
Liner/Film	In Kgs	395,346	2,153,237
Filler Cord	In Kgs	-	203,742
		906,704,146	951,140,972
Add : Foreign Exchange Rate Difference/Freight on exp/other exp		29,521,330	28,470,634
Export Sales		936,225,476	979,611,606

C. Trading Sales

PP Granules	In Kgs	-	2,182,420
LD Granules	In Kgs	301,333	678,100
Master Batch	In Kgs	235,200	10,150
Export License		8,311,708	6,549,818
Trading Sales		8,848,241	9,420,488

D. Sales Return Manufacturing (D-3)

Bags		107,283	206,805
Tarpauline		182,071	-
		289,354	206,805
Total Sales		1,179,129,980	1,164,481,260

Excise duty on sales has been reduced from sales and excise duty on increase/decrease in stock has been considered as income/expense in financial statement.

20	OTHER INCOME	31.03.2017	31.03.2016
		₹	₹
	Interest Received	2,414,619	5,066,990
	Subsidy Receivable	4,593,137	-
	Export Benefit Received	12,661,659	1,037,937
		19,669,415	6,104,927

21	COST OF MATERIALS CONSUMED	31.03.2017	31.03.2016
		₹	₹
	Raw Materials and components Consumed		
	Opening Stock	55,317,201	44,859,891
	Add : Purchases	725,548,877	700,164,220
		780,866,078	745,024,110
	Less : Closing Stock	48,454,261	55,317,201
	Consumption during the year	732,411,817	689,706,909

	31.03.2017	31.03.2016
	₹	₹
<u>A. Purchases Of Raw Material</u>		
PP Granules (All)	430,158,422	431,254,764
HDPE Granules (All)	13,727,131	21,262,752
LD Granules (All)	83,024,575	98,305,722
Master Batch (All)	42,979,522	32,648,136
BOPP Film/Tape	10,295,675	6,758,870
Wastage	1,193,844	471,070
Liner	245,814	-
Fabric (All)	106,054,011	58,734,218
Crimpt yarn	4,184,247	3,426,707
Fabrilated Thread	20,209,397	29,611,448
HDPE/PP Belt/Tie	-	18,400
PPCP (RP Granules)	1,431,750	-
Filler Cord	1,536,338	2,233,393
TOTAL PURCHASE (MFG.)	715,040,726	684,725,479
Add : CST/Custom Duty/Entry Tax/Freight on purchase	12,202,933	14,024,841
Add : Foreign Exchange Rate Difference	(1,694,782)	1,413,900
	725,548,877	700,164,220

22	Purchases of traded goods	31.03.2017	31.03.2016
		₹	₹
	Thread	852,589	-
	Master Batch	131,800	10,005
	PP/HD/LD/LLD Granules	271,779	2,441,337
	LD Granules	-	107,630
		1,256,168	2,558,972

23	Changes in inventories of finished goods, work in progress and traded goods	31.03.2017	31.03.2016
		₹	₹
	Inventories at the end of the year		
	Work in Process	132,929,831	67,498,788
	Finished Goods	24,172,029	24,682,448
	Goods in Trade	23,211	23,211
	Wastage	293,540	162,475
	Total (A)	157,418,610	92,366,922
	Inventories at the beginning of the year		
	Work in Process	67,498,788	60,422,817
	Finished Goods	24,682,448	32,147,238
	Goods in Trade	23,211	23,211
	Wastage	162,475	131,083
	Total (B)	92,366,922	92,724,350
	Net increase/decrease	65,051,688	(357,428)
	Total (A-B)		

24	EMPLOYEES BENEFIT EXPENSES	31.03.2017	31.03.2016
		₹	₹
	Salaries And Wages	79,648,770	54,561,937
	Salaries And Wages (Office)	3,030,000	2,640,000
	Salaries And Wages (Director)	2,100,000	1,800,000
	Labour Charges Contract	10,138,855	8,312,651
	Bonus	7,587,326	3,265,379
	House Rent Allowance	16,968,673	12,485,545
	Education Allowance	8,381,201	5,200,972
	Medical Allowance	2,447,071	1,251,027
	Gratuity	3,281,082	847,564
	E.S.I.C.	4,200,653	2,741,989
	Staff Welfare	639,425	623,089
	Leave Encashment	361,010	265,947
	Provident Fund	5,647,171	3,924,806
	Conveyance Allowance	8,628,964	7,253,604
	Other Allowances	188,006	42,757
	Washing Allowance	4,465,437	3,265,687
	Recruitment Expenses	20,000	18,341
	House Rent (Rent of employees quarter)	1,500	18,000
		157,735,144	108,519,295

The company makes provident fund contributions, a defined contribution plan, for qualifying employees. It also contributes to Employees State Insurance Corporation, which is also defined contribution plan. The company recognised ₹ 5647171/- and ₹ 4200653/- respectively for PF and ESI contributions in Statement of Profit and Loss.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by Life Insurance Corporation Of India.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March, 31, 2017

	31.03.2017	31.03.2016
	₹	₹
I. Change in benefits obligations:		
Project benefit obligation at the beginning of the year	2,939,526	2,311,256
Service cost	3,208,582	520,782
Interest cost	343,923	184,900
Actuarial (Gain) Loss	(400)	122,607
Benefits paid	(736,096)	(200,019)
Project benefit obligation at the end of the year	5,755,535	2,939,526

	31.03.2017	31.03.2016
	₹	₹
ii. Change in plan assets:		
Fair value of plan assets at the beginning of the year	1,119,747	1,009,041
Expected returns on the plan assets	280,667	81,265
Employer's contributions	840,357	229,460
Benefits paid	(736,096)	(200,019)
Actuarial gain(loss)	-	-
Fair value of the plan assets at the end of the year	1,504,674	1,119,747
iii. Net gratuity and other cost:		
Service cost	3,208,582	520,782
Interest on defined benefit obligation	343,923	184,900
Expected return on plan assets	(280,667)	(81,265)
Net Actuarial (gain)/ losses recognised in the year	(400)	122,607
Net gratuity and other cost	3,271,438	747,024
Actual return on plan assets	280,667	81,265
iv. Category of assets:		
Insurer managed funds	Not disclosed by the insurer	
v. Assumptions used in accounting for gratuity plan:		
Discount rate	8%	8%
Salary Escalation Rate	7%	7%
Expected rate of return on plan assets	Not disclosed by the insurer	

25 FINANCE COST	31.03.2017	31.03.2016
	₹	₹
Interest to Bank	10,054,578	14,346,340
Bank Charges	8,375,544	7,019,242
Interest on Term Loan	1,983,034	5,709,477
Interest on FBP	2,022,143	2,658,051
Interest on Buyer's Credit	680,629	460,640
Interest on unsecured loan	909,597	707,288
Interest to Others	1,381,390	1,579,517
	25,406,915	32,480,555

26 DEPRECIATION AND AMORTISATION	31.03.2017	31.03.2016
	₹	₹
On tangible assets	36,053,132	31,273,683
	36,053,132	31,273,683

27 OTHER EXPENSES	31.03.2017	31.03.2016
	₹	₹
Advertisement & Publicity	101,095	50,997
Conveyance Expenses	4,525,591	10,968,677
Director's Sitting Fees	66,000	62,000
Advance License Fees	614,922	881,860
CSR Expenditure	206,617	45,002
State Taxes	4,721,817	6,709,015
Factory Licence Expenses	46,057	27,848
Freight Expenses	59,566,551	56,571,126
Weaving Charges	7,113,339	9,740,617
Insurance Expenses	3,673,352	4,020,953
Internet Expenses	330,000	487,966
Legal & Professional Charges	3,859,629	3,471,003
Loss on sale of vehicle	(36,724)	-
Membership Fees & Subscription	219,362	472,898
Miscellaneous Expenses	4,349,319	3,054,730
Newspaper & Periodicals	6,529	3,250
Postage & Courier	1,710,542	1,430,165
Power & Fuel	55,850,949	51,341,978
Bags Making Charges	56,376,709	48,161,450
Tarpaulin Making Charges	-	646,823
Repairs & Maintainance		
Plant & Machinery	23,353,202	21,104,684
Computer	350,908	266,886
Others	1,838,906	876,582
Rebate, Shortage & Rate Diff.	(2,229,542)	(1,806,249)
Loss on Factory Building Demolition	5,248,746	-
Rent,Rates & Taxes	980,093	721,627
Cash Discount	(174,404)	(20,861)
Packing & Forwarding Expenses	4,639,260	4,700,118
Sales Promotion & Entertainment	1,843,975	535,279
Stationary & Printing	1,010,614	884,716
Telephone & Communication Expenses	802,987	741,680
Travelling to Directors	475,354	121,148
Travelling to Others	3,063,876	2,163,342
Vehicle Running & Maintainance	948,523	801,782
Foreign Exchange Hedging Loss/(Gain)	(2,263,274)	1,311,167
Water & Light Charges	2,753,552	2,056,795
Warehousing Charges (Rent)	170,000	-
Designing Charges	-	13,740
Excise Duty on Inventory(Net)	(63,418)	(723,494)
Payment to auditors:		
As auditors		
Audit fee	70,000	65,500
(Fees of Rs 1,00,000 for certification of reinstatement of Financial statements was paid to auditors and shown as pre-issue expenses and written off against securities premium account)		
	246,121,012	231,962,799

28 EARNING PER SHARE	31.03.2017	31.03.2016
	₹	₹
Calculation of Basic and Diluted EPS:		
Profit(loss) after tax	53,170,551	59,291,517
Less: Dividend on preference shares and tax thereon		
Net Profit (loss) for calculation of basic EPS	53,170,551	59,291,517
Weighted average number of equity shares	10,925,389	8,625,400
Basic EPS	4.87	6.87
Calculation of Diluted EPS:		
Profit(loss) after tax	53,170,551	59,291,517
Less: Dividend on non convertible preference shares		
Add: Interest on convertible bonds (net of tax)		
	53,170,551	59,291,517
Weighted average number of equity shares	10,925,389	8,625,400
Diluted EPS	4.87	6.87

29 Previous year figures have been regrouped or rearranged wherever necessary to confirm to current year's classification and make them comparable.

30 Contingent Liabilities	31.03.2017	31.03.2016
	₹	₹
Claim against Company not acknowledged as debts.	-	-
Guarantees	4,532,594	1,065,500
other money for which the company is contingently liable		
(I) In respect of Income Tax/TDS	315,320	334,454
(II) In respect of Sales Tax	247,162	257,485
(II) In respect of Customs/Excise Matters	231,048	231,048
	5,326,124	1,888,487

31 Commitments to the extent not provided for ₹ 1293.42 Lakhs (Previous Year NIL)

32 CIF Value of Import	31.03.2017	31.03.2016
	₹	₹
Raw Materials	111,278,661	120,876,807
Components and spare parts	234,835	514,235
Capital Goods	28,997,352	-
	140,510,848	121,391,042

33 Expenditure in foreign currency	31.03.2017	31.03.2016
	₹	₹
Testing Charges	322,456	360,911
	322,456	360,911

34 The value of consumption of directly imported & indigenously obtained Raw Materials, Spare parts & components & the percentage of each to the total consumption :-	31.03.2017		31.03.2016	
	₹	%	₹	%
Raw Materials				
A. Directly imported	111,278,661	15.19%	120,876,807	17.33%
B. Indigenously obtained	621,133,157	84.81%	568,830,102	82.47%
Total	732,411,817	100.00%	689,706,909	100.00%
Spare parts and components				
A. Directly imported	234,835	1.01%	514,235	2.44%
B. Indigenously obtained	23,118,367	98.99%	20,590,449	97.56%
Total	23,353,202	100.00%	21,104,684	100.00%

35 Remittance in Foreign currencies for dividends ₹ NIL (Previous Year ₹ NIL)

36 Earning in foreign exchange	31.03.2017	31.03.2017
	₹	₹
(a) Export of goods calculated on FOB basis	955,217,272	998,603,402
	955,217,272	998,603,402

37 In the opinion of the board, all Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated.

38 The balances of Debtors, Creditors, Advances and Liabilities are subject to confirmation and consequential adjustment, if any.

39 Intimation have not been received from any "Supplier" regarding their status under the Micro, Small and Medium Enterprises Act 2006 and hence following information is treated as NIL

- the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.
- the amount of interest paid by the buyer in terms of section 16 of The Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.
- the 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 Micro, Small and Medium Enterprises Development Act 2006
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and
- the amount of further interest, remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

40 Segment Reporting

a) Primary Segment (by Business Segment):

Based on the guiding principles given in Accounting Standards on Segment Reporting (AS - 17) the company is primarily in the business of manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging which mainly have similar risk and returns. The company's business activity falls within a single geographical and business segment (Woven sack, Fabric, Tarpaulin & Liner), hence it has no other primary reportable segment.

b) Secondary Segment (by Geographical demarcation)

i) The secondary segment is based on geographical demarcation i.e. in India and outside India.

ii) Information about secondary segment are as follows:

₹ in Lakhs

Particulars	2016-2017		2015-2016	
	In India	Outside India	In India	Outside India
Segment Revenue (Gross)	2855.94	9552.17	2231.81	9986.03
Total Revenue	12408.11		12217.84	

iii) All segment assets of the Company are predominantly located in India.

41. As per Accounting standard 18, the disclosures of transactions with the related parties as defined in the Accounting standard are given below:-

(i) List of related parties where control exists and related parties with whom transaction have taken place and relationship:-

Name of the Related Parties.

Relation	Name
Key Management Personnel	Mr. Anil Choudhary Mrs. Ranjana Choudhary Mr. Virendra Singh Pamecha Mr. Hitesh Mehta Mr. Chintan Singhvi Mr. Neetesh Gupta Mr. Ravindra Choudhary Mr. Abhishek Jain Ms. Megha Parmar
Relatives of Key Management Personnel with whom there was transaction during the year	Mr. Pramal Choudhary Mrs. Shruti Choudhary Mrs. Parul Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart

Disclosures of transactions between the company and related parties and status of outstanding balances as on 31st March, 2017

Nature of Transactions	31.03.2017	31.03.2016
Key Managerial Personnel		
Remuneration		
Mr. Anil Choudhary	1,500,000	1,200,000
Mr. Sameer Pathak*	-	239,748
Mrs. Ranjana Choudhary	600,000	600,000
Mr. Virendra Singh Pamecha	884,208	12037**
Mr. Virendra Singh Pamecha (As Manager (Commercial))	-	756463***
*resigned w.e.f 30th November, 2015		
** appointed as additional and whole time director w.e.f. 26th March, 2016 salary from 26th March, 2016 to 31st March, 2016		
*** salary from 01st April, 2015 to 25th March, 2016		

Nature of Transactions	31.03.2017	31.03.2016
Mr. Hitesh Mehta	30,000	28,000
Mr. Chintan Singhvi	8,000	4,000
Mr. Neetesh Gupta	28,000	30,000
Mr. Ravindra Choudhary	600,000	600,000
Mr. Abhishek Jain	1,034,919	1,034,394
Ms. Megha Parmar	269,686	4,167****
****salary from 26th March, to 31st March, 2016		
Rent		
Mr. Ravindra Choudhary	34,720	-
Unsecured Loan		
Mr. Anil Choudhary	4,092,063	3,542,063
Mrs. Ranjana Choudhary	1,311,306	1,281,306
<u>Relatives of Key Management Personnel with whom there was transaction during the year</u>		
Remuneration		
Mr. Pramal Choudhary	1,350,000	1,200,000
Mrs. Shruti Choudhary	300,000	-
Mrs. Parul Choudhary	600,000	600,000
<u>Enterprises over which Key Management personnel or their relatives are able to exercise significant influence</u>		
<u>Purchase during the year</u>		
M/s Choudhary Highway Services	1,935,360	1,577,466
M/s Mohra Seeds	1,984,467	2,156,070
M/s Page Paper Mart	132,460	81,340
M/s Bhaskar Resins Pvt Ltd	-	11,007,436

42 As regards gratuity, the Company is under the Employee Group Gratuity Scheme of the Life Insurance Corporation of India ("LIC"). However, the Company does not have a certificate either from "LIC" or any other source to the effect that the contribution so made has been worked out by a qualified actuary in accordance with AS-15 (Revised 2005). The actuarial assumption in respect of discount rate for above working used at the balance sheet date is 8%. As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

43 The Company has entered into Forward Exchange Contracts, being derivatives instruments for hedge purpose and not intended for trading or speculation purpose, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables. The following are the outstanding Forward Exchange Contracts entered into by the Company:

Currency	Buy or Sell	Cross Currency	As on 31 March 2017		As on 31 March 2016	
			Expiry Date	Amt	Expiry Date USD/EURO/GBP	Amt USD / EURO / GBP
US \$	Sell	Indian Rupees	Apr-16	25,000	Apr-16	40,000.00
US \$	Sell	Indian Rupees	Apr-16	25,000	Apr-16	40,000.00
US \$	Sell	Indian Rupees	Apr-16	50,000	Apr-16	35,000.00
US \$	Sell	Indian Rupees	Apr-16	25,000	Apr-16	30,000.00
US \$	Sell	Indian Rupees	Jun-17	25,000	May-16	25,000.00
US \$	Sell	Indian Rupees	Jul-17	25,000	May-16	40,000.00
US \$	Sell	Indian Rupees			May-16	35,000.00
US \$	Sell	Indian Rupees			May-16	30,000.00
US \$	Sell	Indian Rupees			May-16	50,000.00
US \$	Sell	Indian Rupees			Jun-16	50,000.00
US \$	Buy	Indian Rupees	Apr-17	54,060		
EURO	Sell	Indian Rupees	Apr-17	30,000	Apr-16	25,000.00
EURO	Sell	Indian Rupees	Apr-17	40,000	Apr-16	25,000.00
EURO	Sell	Indian Rupees	May-17	30,000	Apr-16	30,000.00
EURO	Sell	Indian Rupees			Apr-16	35,000.00
EURO	Sell	Indian Rupees			Apr-16	30,000.00
EURO	Sell	Indian Rupees			Apr-16	35,000.00
EURO	Sell	Indian Rupees			Apr-16	40,000.00
EURO	Sell	Indian Rupees			May-16	25,000.00
EURO	Sell	Indian Rupees			May-16	25,000.00
EURO	Sell	Indian Rupees			May-16	30,000.00
EURO	Sell	Indian Rupees			May-16	35,000.00
EURO	Sell	Indian Rupees			May-16	25,000.00
EURO	Sell	Indian Rupees			May-16	30,000.00
EURO	Sell	Indian Rupees			May-16	25,000.00
EURO	Sell	Indian Rupees			May-16	40,000.00
EURO	Sell	Indian Rupees			Jun-16	30,000.00
EURO	Buy	Indian Rupees			Aug-16	25,000.00
EURO	Buy	Indian Rupees	Jul-17	40,000	Aug-16	20,000.00
GBP	Sell	Indian Rupees	Apr-17	20,000		
GBP	Sell	Indian Rupees	Apr-17	20,000		
GBP	Sell	Indian Rupees	Apr-17	25,000		
GBP	Sell	Indian Rupees	Apr-17	20,000		

44 Disclosure on Specified Bank Notes

During the year, the Company had specified bank notes (SBNs) or Other denomination notes as defined in the MCA Notification G.S.R. 308 (E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per thenotification are as follows:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0	1,576,921	1,576,921
(+) Permitted receipts	0	1,198,305	1,198,305
(-) Permitted payments	0	1,936,640	1,936,640
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	0	838,586	838,586

For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.”

45 Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 13.86 Lakhs (Previous Year ₹ 10.58 Lakhs).
- (b) Expenditure related to Corporate Social Responsibility is ₹ 2.07 Lakhs (Previous Year ₹ 0.45 Lakhs)

Details of Amount spent towards CSR given below:

(Amount in Lakhs)

Particulars	2016-2017	2015-2016
Promotion of Education	0.415	0.22
Healthcare Measures	0.07	0.04
Environmental Sustainability	0.43	0.19
Fund set up by Central Government (PMNRF)	0.11	0.00
Eradicating Hunger and Malnutrition	0.04	0.00
Reduction of inequalities by socially and economically backward groups	1.00	0.00
Total Amount	2.07	0.45

46 Research & Development

The company conducts its R&D initiatives within the broad framework of innovation initiatives. The company purchased technologically upgraded Circular Looms, Printing and Cutting Machines, installed clean room section and purchased solar PV modules for its solar power generation plant.

As per our report of even date attached

For and on behalf of the Board of Directors of the Company

For Gupta & Ashok
 Chartered Accountants
 FRN : 002254C

Anil Choudhary
 Chairman & Managing Director
 DIN - 00017913

Ranjana Choudhary
 Whole Time Director
 DIN - 03349699

CA Ashok Agrawal
 Partner
 M.No. 071274

Abhishek Jain
 Chief Financial Officer

Megha Parmar
 Company Secretary
 M.No. ACS 37111

Place : Indore
 Dated : 29.05.2017

**PROXY FORM
 FORM MGT- 11**

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

Name : COMMECIAL SYN BAGS LIMITED
 CIN : L25202MP1984PLC002669
 Regd. office : Commercial House, 3-4, Jaora Compound M.Y.H. Road Indore MP 452001
 Name of the member (s) :
 Registered address :
 E-mail Id :
 Folio No/ Client Id/ DP ID :

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

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

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Friday, the 22nd September, 2017 at 11:30 A.M. at Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore-452001 (M.P.), and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions:		Nature of Resolution
1.	Adoption of Financial Statements of the Company including the audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss and Cash Flow for the year ended March 31st, 2017 and the Reports of the Board and Auditors thereon.	Ordinary
2.	Reappointment of Shri Anil Choudhary (DIN: 00017913) who is liable to retire by rotation being eligible offers herself for re-appointment.	Ordinary
3.	Ratification of appointment of Statutory Auditor for the Financial Year 2017-18 and fixing their remuneration.	Ordinary
4.	Re-appointment of Smt. Ranjana Choudhary (DIN: 03349699) as Whole Time Director & KMP for a further period of 5 (Five) Years w.e.f. 01st June, 2017.	Ordinary
5.	Appointment of Shri Milind Mahajan (DIN: 00155762) as Independent Director for a term of 5 (five) consecutive years w.e.f. 10th May, 2017.	Ordinary
6.	Approval to keep Company's Register of Members and other statutory documents and records at the Registered Office and/or with RTA of the Company.	Special
7.	To approve the expenses for service of documents to members.	Ordinary

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

.....

Signature of shareholder

Affix
Revenue
Stamp

.....

Signature of Proxy holder(s)

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

COMMERCIAL SYN BAGS LIMITED

CIN : L25202MP1984PLC002669

Regd. office : Commercial House, 3-4, Jaora Compound M.Y.H. Road Indore MP 452001

ATTENDANCE SLIP

33rd Annual General Meeting of Commercial Syn Bags Limited held on Friday, 22nd September, 2017 at 11:30 A.M. at Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore-452001, (M.P.)

R.F. No.

Shri/Smt./Miss

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 33rd Annual General meeting of the company held on Friday, 22nd September, 2017 at 11:30 A.M. at Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore-452001, (M.P.)

(If signed by proxy, his name should be written in block letters)

.....

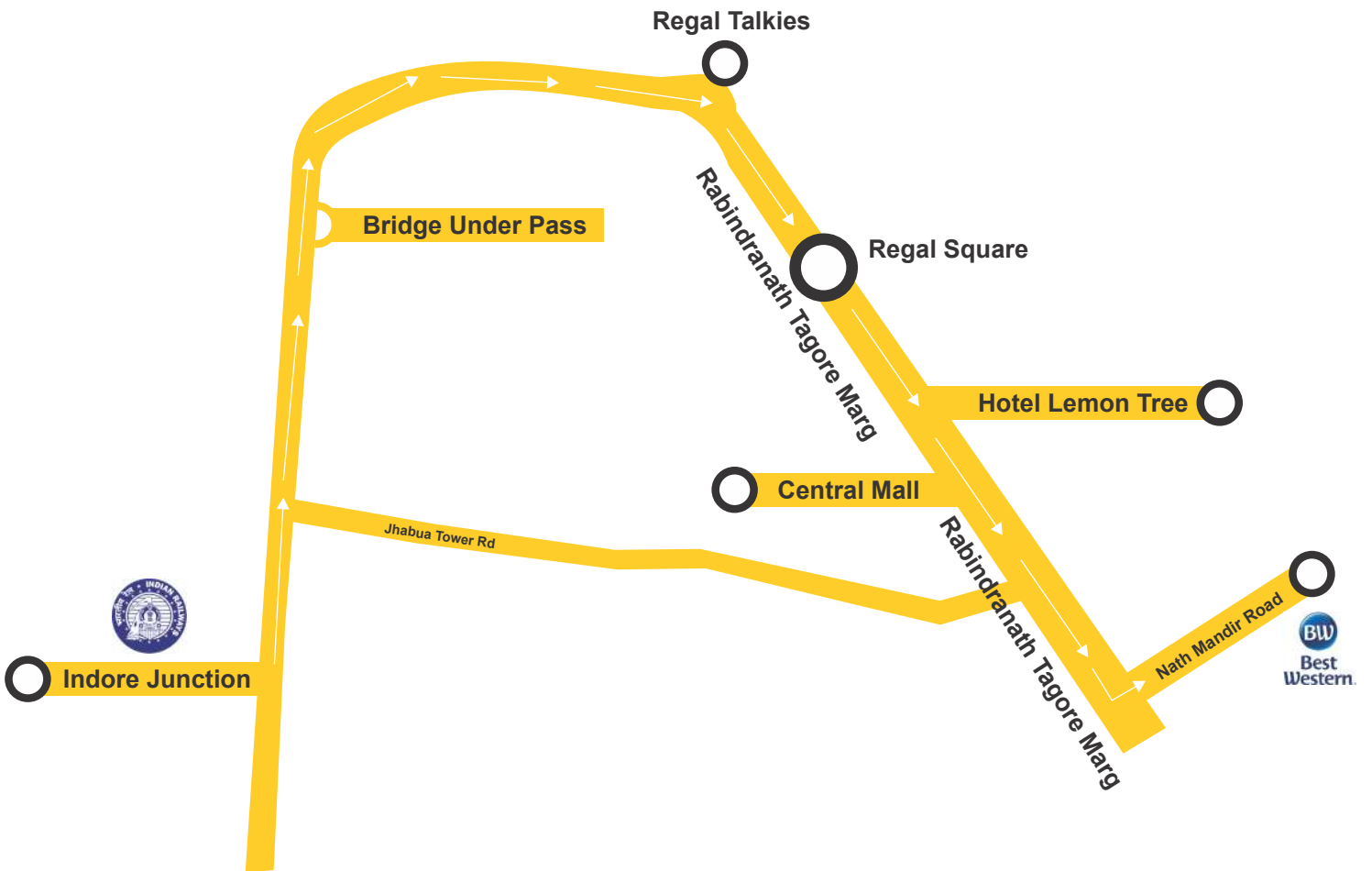
(Shareholders/Proxy's Signature)

Note:

1. Shareholders/proxy holders are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

Note: The Map of Venue of AGM is given at the last page of Annual Report.

Route Map to the Venue of the AGM
Hotel Best Western Plus O2
31/1 Main Road, South Tukoganj, Indore, Madhya Pradesh 452001



Commercial Syn Bags Limited
(Formerly known as Commercial Synbags Ltd.)

Mission

"To be a customer focused, globally competitive company in polypropylene woven products and in other chosen areas of plastic industry, through quality, technology and innovation"

"Weaving Excellence"

If Underlivered please return to :

Commercial Syn Bags Limited

CIN : L25202MP1984PLC002669

Registered Office : Commercial House,

3-4, Jaora Compound, M.Y.H. Road, Indore-452001

(Madhya Pradesh), INDIA

Tel.: 91 731 - 4279525 / 26

Email : investors@comsyn.com

Website : www.comsyn.com