

CNPCL/SE/2017/08/005

Date: 28<sup>th</sup> August, 2017

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

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

**Sub: Notice of 13<sup>th</sup> Annual General Meeting of the Company.**

Sir/Madam,

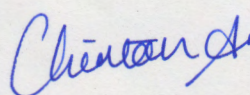
This is in reference with the above captioned subject line, in continuation with announcement made on 21<sup>st</sup> August, 2017 vide letter no. CNPCL/SE/2017/08/005 and to inform you that 13<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on **Saturday, 23<sup>rd</sup> September, 2017 at 3:00 P.M.** at the registered office of the Company situated at **Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201.**

Herewith enclosed is the detailed notice of the same.

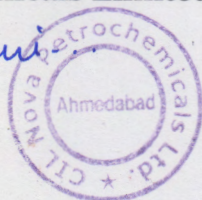
Kindly take the same on your record and oblige.

Yours Sincerely,

For, **CIL Nova Petrochemicals Limited**



Chintan N. Amlani  
Company Secretary



**Encl.: Notice of 13<sup>th</sup> Annual General Meeting of the Company.**

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that **13<sup>th</sup> (Thirteenth) Annual General Meeting** (AGM/Meeting) of CIL Nova Petrochemicals Limited will be held on **Saturday, 23<sup>rd</sup> Day of September, 2017 at 3:00 P.M.** at the registered office of the Company situated at Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal.: Sanand, Ahmedabad - 382201, Gujarat, India to transact following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017, the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Pooransingh Mathuria (DIN: 07430356) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Samir M. Shah & Associates, Chartered Accountants, (FRN: 122377W) as Statutory Auditors and Authorize Board to fix its remuneration.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on recommendation of Audit Committee M/s. Samir M. Shah & Associates, Chartered Accountants (FRN: 122377W) who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rules made thereunder be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 18<sup>th</sup> Annual General Meeting of the Company on such remuneration as may be agreed between Board of Directors and the M/s. Samir M. Shah & Associates Chartered Accountants, plus applicable tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of the accounts of the Company.”

**“RESOLVED FURTHER THAT** any Director(s) of the Company be and is/are hereby authorized to do all such acts, deeds and things incidental thereto to give effect to the above mentioned resolution.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT,** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 if any, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Consent of the Company be and is hereby accorded to the remuneration payable to M/s. A. G. Tulsian & Co., Cost Accountants (Firm Registration No. 100629) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2018 as set out in the Statement annexed to the Notice convening this Annual General Meeting.”

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

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

**“RESOLVED THAT** pursuant to the provisions of Section 188, all other applicable provisions of the Companies Act, 2013, read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the consent of the Company be and is hereby accorded to the Company to carry out transactions with related parties and for the maximum amounts as mentioned herein below for the year 2017 - 2018 and 2018 - 2019.

Sr. No.	Nature of the transactions as per section 188 of the Companies Act, 2013.	Name of the Director/KMP who is related and nature of their relationship	Name of the related party	Receipts (₹ in Crore)	Payment (₹ in Crore)
1.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director(s) or Relatives are shareholders	Chiripal Poly Films Limited	250.00	250.00
2.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director (s) or Relatives are shareholders	Chiripal Industries Limited	250.00	250.00

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

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

By Order of the Board  
For, CIL Nova Petrochemicals Limited

Sd/-

**Chintan N. Amlani**  
Company Secretary

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017  
Annual Report 2016-2017

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to provision of Section 105 of Companies Act, 2013 a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
3. **The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business setting out material facts is annexed hereto.**
4. Information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure to the explanatory statement attached to this Notice.
5. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the Rule 11 of the Companies (Accounts) Rules, 2014 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose.

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

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

Electronic copy of the Annual Report including Notice of the 13<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company or RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company will also be made available on the Company's website <http://cnpcl.com/annual-reports>.

6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from **Wednesday, 20<sup>th</sup> September, 2017 to Saturday, 23<sup>rd</sup> September, 2017 (both days inclusive)** in connection with the Meeting.
7. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Link Intime India Private Limited.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. **MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.** Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
11. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.

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

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

The Company has appointed **Mr. Jatin Kapadia, Practicing Company Secretaries, as the Scrutinizer** for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL and shall be communicated to the Stock Exchanges.

19. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **16<sup>th</sup> September, 2017 as the "cut-off date"** to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.

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

- (i) The Remote E-voting period begins on Wednesday, 20<sup>th</sup> September, 2017 at 9.00 a.m. and ends on Friday, 22<sup>nd</sup> September, 2017 at 5.00 p.m. During this period the eligible shareholders of the Company, holding shares either in physical form or in Demat form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field. The Sequence Number is printed on Annual Report.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in DD/MM/YYYY format.
Dividend Bank Details	Enter the Dividend Bank Details (Account Number) as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 7.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the EVSN for "CIL Nova Petrochemicals Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolutions you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote or cast your vote again.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) Those persons, who have acquired shares and have become Members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. **16<sup>th</sup> September, 2017** shall view the Notice of the 13<sup>th</sup> AGM on the Company's website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.

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

By Order of the Board  
**For, CIL Nova Petrochemicals Limited**

Sd/-  
**Chintan N. Amlani**  
Company Secretary

**Place : Ahmedabad**  
**Date : 12<sup>th</sup> August, 2017**

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

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

**Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. A. G. Tulsian & Co., Cost Accountants as a cost auditor of the Company to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March, 2018, for a remuneration not exceeding ₹25,000/- (Rupees Twenty Five Thousand only) plus tax at applicable rate and out-of-pocket expenses incurred by them for conducting the audit of cost accounts of the company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2018. The Board recommends the resolution at Item No. 4 for your ratification.

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

**Item No. 5**

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

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

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

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution. In compliance with Companies Act, 2013 and Listing Regulations it is proposed to opt approval for purchase and sales transactions from Members.

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

By Order of the Board  
**For, CIL Nova Petrochemicals Limited**

Sd/-  
**Chintan N. Amlani**  
Company Secretary

**Place : Ahmedabad**  
**Date : 12<sup>th</sup> August, 2017**

#### ANNEXURE TO THE EXPLANATORY STATEMENT

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

##### 1. Mr. Pooransingh Mathuria (DIN: 07430356) – Whole-time Director

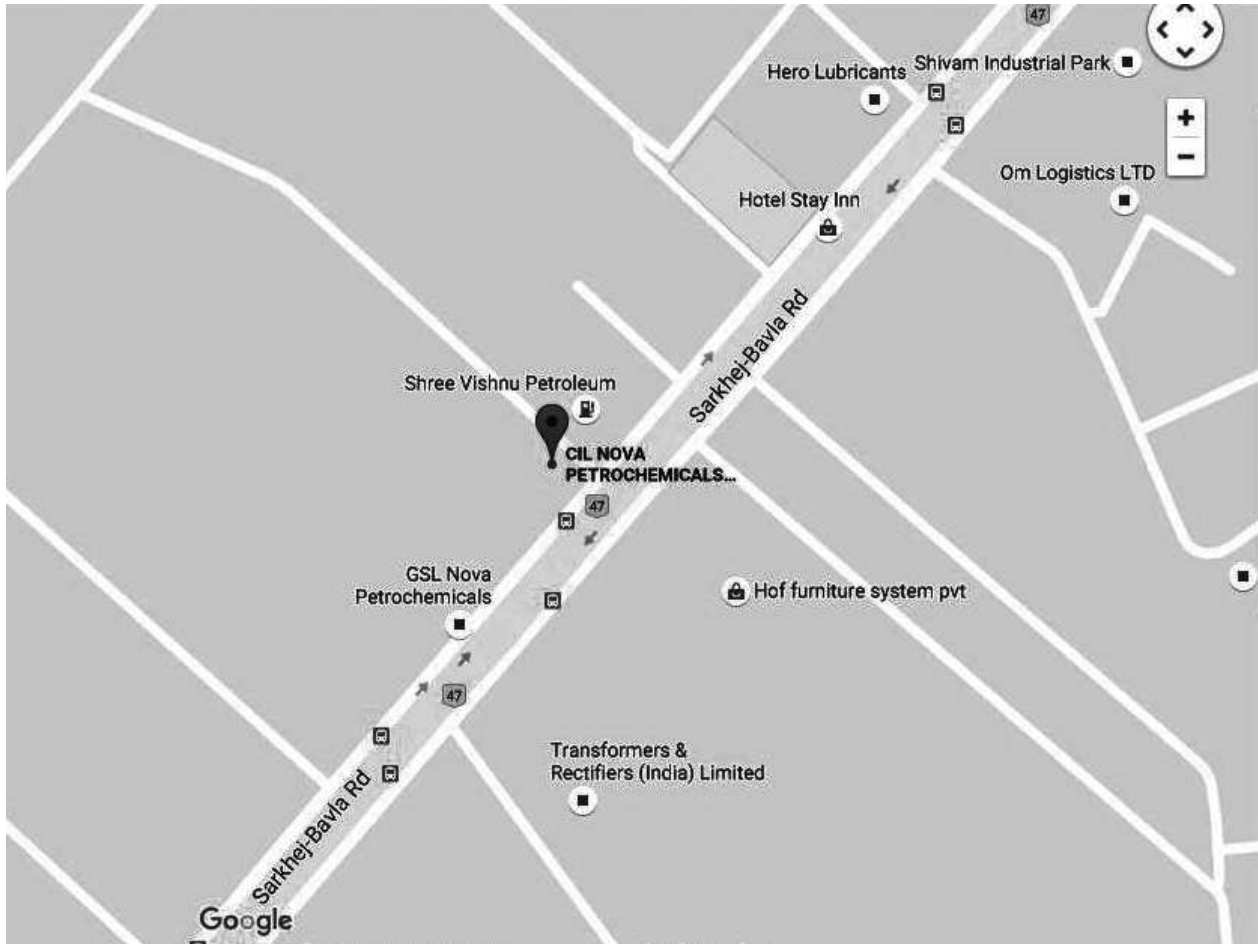
Mr. Pooransingh Mathuria is technically competent electrical and electronics engineer with professional experience of nearly 25 years in steering plant engineering, maintenance and energy management domains with prestigious industrial establishments is serving as Whole-time Director. He has done B.SC and Diploma in Industrial Electronics and Electrical Engineering. He has served various companies including Welspun syntax Ltd. and J. K. Synthetic Ltd. by playing different roles during his tenure and has vast experience in erection and commissioning, operation and maintenance, mobilizing and managing machines, cost reduction and value engineering.

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

Shareholding – Nil

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

**ROUTE MAP OF ANNUAL GENERAL MEETING**



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



**DIRECTORS REPORT**

To,  
 The Members,  
 Your Directors take pleasure in presenting the **13<sup>TH</sup> (Thirteenth) Annual Report** on the business and operations of your Company along with Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017.

**1. FINANCIAL SUMMARY/HIGHLIGHTS OF PERFORMANCE OF THE COMPANY:**
**Financial Results**
**₹ in Lakhs**

Particulars	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Sales/Income from operations (Net of excise)	22277.90	20182.12
Other Income	61.97	38.06
<b>Total Income</b>	<b>22339.87</b>	<b>20220.18</b>
<b>Total Expense</b>	<b>21105.39</b>	<b>19429.36</b>
Depreciation	538.66	588.76
<b>Profit Before Tax</b>	<b>695.82</b>	<b>790.82</b>
Tax	195.46	243.19
<b>Profit After Tax</b>	<b>500.36</b>	<b>547.62</b>

**2. PERFORMANCE HIGHLIGHTS:**

The total revenue during the year under review was ₹22339.87 Lakhs as against ₹20220.18 Lakhs in the previous year showing a increase of 9.41%. However productivity was increased in comparison to previous year production, but Profit before tax (PBT) was ₹ 695.82 Lakhs as against ₹ 790.82 Lakhs, showing a decrease of 13.65% and profit after tax (PAT) stood at ₹ 500.36 Lakhs as against ₹ 547.62 Lakhs in the previous year showing a decrease of 9.45% due to market situation profit margins were reduced.

**3. DIVIDEND:**

Your directors have not recommend Divided for this Financial Year as Ploughing back of profits will be good strategy for future growth and development of your Company.

**4. RESERVES:**

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

**5. SHARE CAPITAL:**

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

Further, During the year under review Company had allotted 1,35,50,000 Equity Shares of face value of ₹ 10/- each in ratio 1:1 on right basis at ₹ 14.50/- (including premium of ₹ 4.50/-).

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

**6. DEPOSITS:**

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

**7. FUTURE OUTLOOK:**
**Polyester filament Yarn (MMF) Market scenario**

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

Outlook for polyester as calculated by experts shows that consumption of polyester yarn will be double to that of cotton by 2030. The Untapped opportunity remains in MMF based product categories, which can give an exponential growth to India's export of textile and apparel. Consumption of MMF based products will increase in domestic Market in following

**Segment:**

- Women's western wear & lingerie-Increasing women participation in work force;
- Active wear-India's large young population base with increasing awareness towards fitness;

- c. Work wear/Uniform-Increasing no. of school going children & consciousness of corporate towards their image;
- d. Hygiene products-Awareness of Indian women for hygiene will cause increasing uses of hygiene products

To reap maximum benefits of the future scenario, India needs focus on manufacturing of MMF based products. A drastic change is expected in the consumption of polyester yarn, share of which is projected to grow to 53% by 2030

**Future course of action:**

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

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

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

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

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

**10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

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

**11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:**

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

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

The Company had no Subsidiary or Joint Ventures or Associate Companies as on 31<sup>st</sup> March, 2017.

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

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

**14. EXTRACTS OF ANNUAL RETURN:**

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

**15. RELATED PARTY TRANSACTIONS:**

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

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

**16. KEY MANAGERIAL PERSONNEL:**

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Pooransingh Mathuria, Whole-time Director, Mr. Pradip Khandelwal, Chief Executive Officer, Mr. Satish Bhatt, Chief Financial Officer and Mr. Chintan Amlani, Company Secretary were the Key Managerial Personnel of the Company for the year ended 31<sup>st</sup> March, 2017.

**17. DIRECTORS:**

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

During the year under the review Mr. Vedprakash Chiripal (DIN: 00290454) had tendered his resignation on 17<sup>th</sup> February, 2017.

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

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

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

#### **18. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

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

#### **19. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:**

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

#### **20. PARTICULARS REGARDING EMPLOYEES REMUNERATION:**

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

#### **21. COMMITTEES OF THE BOARD:**

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

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Other Committee's

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

#### **22. CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES:**

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

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

#### **23. STATUTORY AUDITORS:**

M/s. J. T. Shah & Co., Chartered Accountants (FRN 109616W) were appointed as Statutory Auditors of your Company at the Previous Annual General Meeting held on 26<sup>th</sup> September, 2016 till the Conclusion of 13<sup>th</sup> Annual General Meeting.

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

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

As per the Provisions of the Section 139 of the Companies Act, 2013 your Board of Directors recommend to Appoint M/s. Samir Shah and Co., Chartered Accountants to hold office from Conclusion of the Annual General Meeting till Conclusion of 18<sup>th</sup> Annual General Meeting of the Company. Further, the Company has obtained a written confirmation under section 139 of the Companies Act, 2013 from M/s. Samir Shah & Co., Chartered Accountants that their appointment, if made, would be in conformity with the limits specified under the Act.

#### **24. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. Jatin Kapadia, Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2016-17.

The Secretarial Audit Report for financial year 2016-17 issued by M/s. Jatin Kapadia, Practicing Company Secretaries has been appended as **Annexure - V** to this Report. There were no qualifications or adverse remarks in their Report.

#### **25. COST AUDITORS:**

As per the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time the Board of Directors of the Company on recommendation of Audit Committee has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, as Cost Auditor of the Company to conduct audit of Cost Accounts of the Company for the Financial Year 2016-17. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

#### **26. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM:**

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management

are Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. Further, Company had formulated Risk Management Committee also, however later on it was dissolved as separate Committee for the same was not required considering the size of your Company So, Audit Committee looks for the Risk Management after dissolution of Risk Management Committee.

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

#### **27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

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

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

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

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **29. CORPORATE GOVERNANCE:**

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

#### **30. GENERAL SHAREHOLDER INFORMATION:**

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

#### **31. ACKNOWLEDGEMENTS:**

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

**For and on behalf of the Board**

**Sd/-  
Jyotiprasad Chiripal  
Chairman  
DIN: 00155695**

**Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017**

**ANNEXURE – I to the directors report**  
**CONSERVATION OF ENERGY/ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. CONSERVATION OF ENERGY:**

**i. The Steps taken or impact on conservation of energy:**

Management of the Company do continuous monitoring the energy parameters such as maximum demand, power factor, load factor on regular basis.

Management has done optimization and improvement of air cooling system resulting in less usage of chiller, Company Utilizes booster pump in water pipe line to avoid high pressure pumping, regular maintenance of boiler is taken care off in order to conserve the usage of fuel along with the Cost optimized fuel usage resulting in lower generation cost for power produced for captive.

**ii. The Steps taken by the Company for utilizing alternate sources of energy:**

Company is using fuel efficient Coal instead of Lignite and local fuel by which fuel as well as power consumption of the company is reduced and continued effort to reduce and optimize the use of energy consumption is our motive.

**ii. The Capital investment on energy conservation equipments:**

Separate Shed has been established for storing the fuel efficient Coal by this Coal will remain dry during the rain and will be protected from moist and so, efficiency of the Plant and Machinery will be maintained.

**B. TECHNOLOGY ABSORPTION:**

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

Modifications in FDY lines and production with modified technology due to spares production stoppages by TMT helped in continuation of production process. F.O. based 7.5 MW capacity captive generators has been installed for standby power availability.

Modification/adoption in Chillers to improve process condition. Induction of Modified air conditioning system for process. Capital and recurring expenditure is incurred by the company regularly.

**ii. Benefits derived like Product Improvement, Cost Reduction, Product Development or import Substitution:**

- As company is using fuel efficient Coal so, overall Cost of Production will be reduced.
- Company has developed unique products like POY Danniers 32/14, 25\*14 and 22/14 during the year. Further these products are rarely produced in India and response from the marked is overwhelming so, your Company is planning accordingly.
- Company during the year established Paper Tube Plant for captive use of the same and for selling it to the outside parties and this will lead to;
  - a) Consistency in Quality of Packing Material;
  - b) Revenue will be increased and
  - c) Cost of Production will be decreased and this will lead to increase in profit margins of the Company.

**iii. In case of Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year) –**

Not Applicable

**iv. The expenditure incurred in Research and Development:**

Company has done expenditure in testing equipment in order to have check in quality of the product and maintain the same.

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

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

**For, CIL Nova Petrochemicals Limited**

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

**Sd/-**  
**Jyotiprasad Chiripal**  
**Chairman**  
**DIN: 00155695**

**Annexure – II to the Directors Report  
FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31<sup>st</sup> March, 2017  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products	NIC Code of the Product/service	Percentage to total turnover of the company
1	Preparation and Spinning of Man-made fibre including blended man-made fibres and others	13114	93.52

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

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
NA			

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

Category of Shareholders	No. of Shares held at the beginning of the year as on 1 <sup>st</sup> April, 2016				No. of Shares held at the end of the year as on 31 <sup>st</sup> March, 2017				% Change during the year
	Demat	Total	Physical	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	31,07,229	--	31,07,229	22.93	62,03,587	--	62,03,587	22.89	-0.04
b. Central Government	--	--	--	--	--	--	--	--	--
c. State Government	--	--	--	--	--	--	--	--	--
d. Bodies Corporate	62,48,839	--	62,48,839	46.12	1,19,08,405	--	1,19,08,405	43.94	-2.18
e. Banks / FI	--	--	--	--	--	--	--	--	--
f. Any other Foreign Individual	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A)</b>	<b>93,56,068</b>	<b>--</b>	<b>93,56,068</b>	<b>69.05</b>	<b>1,81,11,992</b>	<b>--</b>	<b>1,81,11,922</b>	<b>66.83</b>	<b>-2.22</b>
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	--	--	--	--	--	--	--	--	--
b. Banks / FI	300	--	300	0.00	300	--	300	--	--
c. Central Government	--	--	--	--	--	--	--	--	--
d. State Government	--	--	--	--	--	--	--	--	--
e. Venture Capital Funds	--	--	--	--	--	--	--	--	--
f. Insurance Companies	--	--	--	--	--	--	--	--	--
g. FIs/FPI	--	--	--	--	1,42,650	--	1,42,650	0.53	0.53
h. Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i. Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	<b>300</b>	<b>--</b>	<b>300</b>	<b>0.00</b>	<b>1,42,950</b>	<b>--</b>	<b>1,42,950</b>	<b>0.53</b>	<b>0.53</b>
2. Non-Institutions									
a) <b>Bodies Corporate</b>									
i. Indian	24,09,706	1,893	24,11,599	17.80	46,08,024	65,817	46,73,841	17.25	-0.55
b) <b>Individuals</b>									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	6,13,625	2,76,011	8,89,636	6.57	10,50,877	2,74,816	13,25,693	4.90	-1.67
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,97,733	--	1,97,733	1.46	17,99,276	--	17,99,276	6.64	5.18
c) <b>Others (specify)</b>									
i. Trust	1,250	--	1,250	0.01	1,000	--	1,000	0.00	-0.01
ii. Hindu Undivided Family	61,575	--	61,575	0.45	4,10,838	--	4,10,838	1.52	1.06
iii. Non Resident Indians	4,25,057	1,97,300	6,22,357	4.59	3,71,229	2,00,100	5,71,329	2.11	-2.48
iv. Overseas Corporate Bodies	2,500	--	2,500	0.02	2,500	--	2,500	0.02	-
v. Foreign Nationals	--	--	--	--	--	--	--	--	--
vi. Clearing Members	6,982	0.00	6,982	0.05	60,581	--	60,581	0.22	0.17
<b>Sub-total (B)(2):-</b>	<b>37,18,428</b>	<b>4,75,204</b>	<b>41,93,632</b>	<b>30.96</b>	<b>83,04,325</b>	<b>5,40,733</b>	<b>88,45,058</b>	<b>32.64</b>	<b>1.68</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>37,18,728</b>	<b>4,75,204</b>	<b>41,93,932</b>	<b>30.96</b>	<b>84,47,275</b>	<b>5,40,733</b>	<b>89,88,008</b>	<b>33.17</b>	<b>2.21</b>
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>1,30,71,496</b>	<b>4,78,504</b>	<b>1,35,50,000</b>	<b>100.00</b>	<b>2,65,59,267</b>	<b>5,40,733</b>	<b>2,71,00,000</b>	<b>100.00</b>	<b>--</b>

\* Company had issued 1,35,50,000 Equity Shares with face value of Rs. 10 during the year under review on right basis in ratio of 1:1

**D. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 31 <sup>st</sup> March, 2016			No. of Shares held at the end of the year as on 31 <sup>st</sup> March, 2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Chiripal Exim LLP	27,50,000	20.30	19.93	55,00,000	20.30	49.09	0.00
2.	Devkinandan Corporation LLP	16,48,181	12.16	10.07	45,57,747	16.82	29.94	4.66
3.	Chiripal Industries Ltd	15,04,000	11.10	0.00	15,14,000	5.59	0.00	(5.51)
4.	Vedprakash Chiripal	7,27,469	5.37	0.00	7,27,469	2.68	0.00	(2.69)
5.	Brijmohan Chiripal	6,14,560	4.54	0.00	12,29,120	4.54	0.00	0.00
6.	Manjudevi J. Agarwal	5,00,200	3.69	0.00	10,00,400	3.69	0.00	0.00
7.	Savitridevi V Chiripal	5,00,200	3.69	0.00	5,00,200	1.85	0.00	(1.84)
8.	Vishal V Chiripal	5,00,200	3.69	0.00	5,00,200	1.85	0.00	(1.84)
9.	Urmiladevi J Agarwal	2,50,200	1.85	0.00	10,00,600	3.69	0.00	1.85
10.	Shanti Exports Private Limited	2,24,808	1.66	0.00	2,24,808	0.83	0.00	(0.83)
11.	Nandan Denim Limited	64,000	0.47	0.00	64,000	0.24	0.00	(0.23)
12.	Shanti Educational Initiatives Limited	47,850	0.35	0.13	47,850	0.18	36.47	(0.17)
13.	Priti Processors Private Limited	10,000	0.07	0.00	--	0.00	0.00	(0.07)
14.	Jayprakash D Chiripal	6,450	0.05	0.00	4,77,580	1.76	0.00	1.71
15.	Jyotiprasad D Chiripal	6,250	0.05	0.00	7,39,969	2.73	0.00	2.68
16.	Aayushi J Agarwal	200	0.00	0.00	200	0.00	0.00	0.00
17.	Brijmohan D Chiripal - HUF	200	0.00	0.00	400	0.00	0.00	0.00
18.	Deepak J Agarwal	200	0.00	0.00	400	0.00	0.00	0.00
19.	Pritidevi B Chiripal	200	0.00	0.00	400	0.00	0.00	0.00
20.	Ronak B Agarwal	200	0.00	0.00	25,949	0.10	0.00	0.10
21.	Ruchi B Agarwal	200	0.00	0.00	200	0.00	0.00	0.00
22.	Vansh J Chiripal	200	0.00	0.00	200	0.00	0.00	0.00
23.	Vedprakash D Chiripal - HUF	200	0.00	0.00	200	0.00	0.00	0.00
24.	Nishi Agarwal	100	0.00	0.00	100	0.00	0.00	0.00
<b>Total</b>		<b>93,56,068</b>	<b>69.05</b>	<b>30.13</b>	<b>1,81,11,992</b>	<b>66.83</b>	<b>22.54</b>	<b>(2.22)</b>

\* Company had issued 1,35,50,000 Equity Shares with face value of ₹ 10 during the year under review on right basis in ratio of 1:1



**E. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH, 2017: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS)**

Shareholders Name	Shareholding at the Beginning of the year		Date	Increase/ (Decrease) in holding	Reason	Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
Tripoli Management Private Limited	--	--	16-12-2016	15,14,000	Allotment	15,14,000	5.59
					<b>Closing</b>	<b>15,14,000</b>	<b>5.59</b>
Gupta Silk Mills Private Limited	<b>6,63,700</b>	<b>4.90</b>	--	--	--	6,63,700	2.45
					<b>Closing</b>	<b>6,63,700</b>	<b>2.45</b>
Gupta Synthetics Limited	<b>3,50,500</b>	<b>2.59</b>	--	--	--	3,50,500	1.29
					<b>Closing</b>	<b>3,50,500</b>	<b>1.29</b>
Kautilya Traders Private Limited	<b>61,181</b>	<b>0.45</b>	16-12-2016	2,61,181	Allotment	3,22,362	1.19
					<b>Closing</b>	<b>3,22,362</b>	<b>1.19</b>
Rushp Trading LLP	--	--	16-12-2016	3,11,089	Allotment	3,11,089	1.15
					Closing	3,11,089	1.15
Rameswar Retailers Private Limited	<b>3,11,089</b>	<b>2.30</b>	--	--	--	3,11,089	1.15
			--	--	<b>Closing</b>	<b>3,11,089</b>	<b>1.15</b>
Manuj Chiripal	3,05,208	2.25	01-07-2016	210	Transfer	3,05,418	1.13
					<b>Closing</b>	<b>3,05,418</b>	<b>1.13</b>
Rikin Bharat Bhushan Agarwal	<b>2,154</b>	<b>0.02</b>	16-12-2016	2,77,311	Allotment	2,79,465	1.03
					Closing	2,79,465	1.03
Anjani Vinimay Private Limited	<b>2,15,000</b>	<b>1.59</b>	--	--	--	2,15,000	0.79
					<b>Closing</b>	<b>2,15,000</b>	<b>0.79</b>
Satrama Trading LLP	--	--	16-12-2016	2,15,000	Allotment	2,15,000	0.79
					<b>Closing</b>	<b>2,15,000</b>	<b>0.79</b>
Ankush Synthetics Limited	<b>2,06,554</b>	<b>1.52</b>	--	--	--	2,06,554	0.76
			--	--	<b>Closing</b>	<b>2,06,554</b>	<b>0.76</b>
Aviva Industries Limited	<b>1,03,277</b>	<b>0.76</b>	--	--	--	1,03,277	0.38
			--	--	<b>Closing</b>	<b>1,03,277</b>	<b>0.38</b>
Ashmi Financial Consultancy Private Limited	82,500	<b>0.61</b>	--	--	--	82,500	0.30
			--	--	<b>Closing</b>	<b>82,500</b>	<b>0.30</b>
Gupta Textile Industries Private Limited	<b>73,816</b>	<b>0.54</b>	--	--	--	73,816	0.27
			--	--	<b>Closing</b>	<b>73,816</b>	<b>0.27</b>

**F. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL\*:**

Sr. No.	Name of Director/ KMP	Shareholding at the Beginning of the year		Date	Increase/ (Decrease) in holding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Mr. Jyotiprasad Chiripal	6,250	0.05	16-12-2016	7,33,719	Allotment	7,39,969	2.73
2.	Mr. Vedprakash Chiripal®	7,27,469	5.37	--	--	--	7,27,469	2.68
3.	Mr. Ambalal Patel	350	0.00	16-12-2016	1,650	Allotment	2000	0.01

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

@ Mr. Vedprakash Chiripal resigned from the Board of Directors w.e.f. 17<sup>th</sup> February, 2017.

**V. INDEBTEDNESS –**

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	56.88	2,015.00	--	2,071.88
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	0.42	--	--	0.42
Total (i+ii+iii)	57.30	2,015.00	--	2,072.30
Change in Indebtedness during the financial year				
* Addition	--	--	--	--
* Reduction	22.28	2015.00	--	2037.28
Net Change	22.28	2015.00	--	2037.28
Indebtedness at the end of the financial year				
i) Principal Amount	34.60	--	--	34.60
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	0.27	--	--	0.27
Total (i+ii+iii)	34.87	--	--	34.87

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Executive Directors		Name of Whole-time Director	Total Amount
		Jyotiprasad Chiripal	Vedprakash Chiripal*	Pooransingh Mathuria*	
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	13.27	13.27
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--	--
5	Others, please specify 1. PF Contribution 2. Gratuity Accrued for the year (Payable at Retirement/resignation)	--	--	--	--
	Total (A)	--	--	<b>13.27</b>	<b>13.27</b>
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)			35.46	70.92

 \*Mr. Vedprakash Chiripal tendered his resignation on 17<sup>th</sup> February, 2017

**B. REMUNERATION TO OTHER DIRECTORS**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Fees for attending board / committee meetings	Commission	Others, please specify	Total Amount
1	Independent Directors				
	Mr. Ambalal Patel	<b>1.94</b>	--	--	
	Mr. Rajendraprasad Shah	<b>1.94</b>	--	--	
	Mr. Murlimanohar Goyal	--	--	--	--
	Ms. Chinar Jethwani	<b>0.72</b>	--	--	--
	Total A		--	--	
2	Other Non-Executive Directors				
		--	--	--	--
	Total B	--	--	--	--
	Total Managerial Remuneration (A)+(B)	4.60	--	--	4.60
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	--		--	7.09

**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in Lakhs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.71	9.10	4.39	43.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission				
	- as % of profit	--	--	--	--
	others, specify				
5	Others, please specify	--	--	--	--
	<b>Total</b>	<b>29.71</b>	<b>9.10</b>	<b>4.39</b>	<b>43.20</b>

\* Mr. Chintan Amlani was appointed as Company Secretary w.e.f. 23<sup>rd</sup> May, 2017.

**C. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

For, CIL Nova Petrochemicals Limited

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

Sd/-  
Jyotiprasad Chiripal  
Chairman  
DIN: 00155695

**Annexure – III to the Directors Report**

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

- The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2016-17 and
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(₹ In Lakhs)

Sr. No.	*Name of Director/KMP and its Designation	Remuneration to the Director/KMP for the Financial Year 2016-2017	Percentage increase/decrease in remuneration in the Financial Year 2016-2017	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. Jyotiprasad Chiripal, Director and Chairman	--	--	--
2.	Mr. Vedprakash Chiripal, Director@	--	--	--
3.	Mr. Pooran Singh Mathuria, Whole-time Director	13.27	N.A.	6.35
4.	Mr. Pradip Khandelwal, Chief Executive Officer	29.72	12.58	14.22
5.	Mr. Satish Bhatt, Chief Financial Officer	9.10	20.66	4.35
6.	Mr. Chintan Amlani, Company Secretary#	4.39	N.A.	2.10

\* Only Sitting Fees is paid to Independent Directors.

@ Mr. Vedprakash Chiripal Resigned from the Board of Directors from 17<sup>th</sup> February, 2017.

# Mr. Chintan Amlani was appointed as Company Secretary w.e.f. 23<sup>rd</sup> May, 2016

- The Median Remuneration of Employees (MRE) of the Company is ₹ 2,08,754 for the Financial Year 2016-2017. The MRE for the year increased by ₹ 25,541 as compared to ₹ 1,83,213 during the previous financial year.
- The number of permanent employees on the rolls of the Company is 148 for the year ended 31<sup>st</sup> March, 2017.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was approx 9.40%. Managerial Remuneration was not increased during the year under consideration, the increase in remuneration is determined based on the performance by the employees of the Company.  
*\* Production incentive are not forming part of increase in salary made during the year.*
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.
- The ratio of the remuneration of the highest paid director and other details of the employees who are not directors but received remuneration in excess of the highest paid director during the year is as below;

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

Name	Designation	Remuneration received (₹ In Lakhs)	Nature of Employment	Date of Commencement	Age	Qualification	Last employment held by such employee before joining the company	Relation with Director
Pradip Khandelwal	CEO	29.71	Permanent	18/02/2011	55	ICWA	Suzlon Energy Ltd.	NA
S. P. Paranjapee	Asst. Vice President Marketing & Sales	19.75	Permanent	04/08/1999	53	B. Tech	Nova Petrochemicals Ltd.	NA
Akhil Saraf	Asst. Vice President Production	13.49	Permanent	01/02/2011	48	B. Tech	Raj Reyons Industries Ltd.	NA
Harshad Patel	DGM	11.63	Permanent	04/04/2008	35	BE BOE	Euro Garies Ltd.	NA
Bharat Khatri	Manager – Finance	10.58	Permanent	06/05/2016	27	CA	Moser Baer India Ltd.	NA
Parimal Khanna	DGM	9.22	Permanent	01/02/2008	40	MBA	NRC Ltd.	NA
Satish Bhatt	CFO	9.10	Permanent	01/11/1995	52	B.Com	Nova Petrochemicals Ltd.	NA
Rajendra	Sr. Manager	8.35	Permanent	14/04/2011	56	BBA	Raj Reyons Industries Ltd.	NA
Nitin Patel	DGM	7.91	Permanent	14/02/1996	58	LLB	Nova Petrochemicals Ltd.	NA
Jitendra Kumar Panchal	DGM	7.59	Permanent	18/01/2012	40	BE BOE	GFPCl	NA

**For, CIL Nova Petrochemicals Limited**

**Sd/-**

**Jyotiprasad Chiripal  
Chairman**

**DIN: 00155695**

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

**Annexure – IV to Directors Report  
ANNUAL REPORT ON CSR ACTIVITIES CARRIED OUT BY THE COMPANY**

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

**CSR policy is stated herein below:**

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

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

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

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

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

2 **Composition of CSR committee:**

Name of the Member	Designation
Mr. Rajendraprasad Shah	Chairperson
Mr. Ambalal Patel	Member
Ms. Chinar Jethwani	Member
Mr. Murlimanohar Goyal	Member

3 **Average net profit of the company for last three financial years:** ₹ 5,82,95,795

4 **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** ₹ 11,65,916

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

- a) Total amount spent for the financial year: ₹ 25,00,000
- b) Amount unspent if any: Nil
- c) Manner in which the amount spent during the financial year is detailed as below:

Sr. No.	CSR Project or activity	Sector	Location	Amount outlay (Budget)	Amount spent on the project or Programme	Cumulative Expenditure up to reporting period	Amount spent directly/or throughout implementing agency
1.	Milestone Educom Trust	Education	Ahmedabad	25,00,000	₹25,00,000	₹25,00,000	Directly
Total				₹25,00,000	₹25,00,000	₹25,00,000	--

6 CSR Policy and Committee has been formulated and details are also available at [www.cnpcl.com](http://www.cnpcl.com).

**For, CIL Nova Petrochemicals Limited**

Sd/-

**Jyotiprasad Chiripal**

Director

DIN: 00155695

Date: 12<sup>th</sup> August, 2017

Place: Ahmedabad

**For, CIL Nova Petrochemicals Limited**

Sd/-

**Rajendraprasad Shah**

Chairman CSR Committee

DIN: 01982424

**Annexure – V to the Directors Report**

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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

Without Prejudice

To,  
The Members,  
**CIL NOVA PETROCHEMICALS LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CIL Nova Petrochemicals Limited (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon. Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under ;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) The Factories Act, 1948
- (vi) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- (vii) The Contract Labour (Regulation & Abolition) Act
- (viii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (ix) Water (Prevention and Control of Pollution) Act, 1974
- (x) Payment of Gratuity Act, 1972
- (xi) Labour Law and other incidental laws
- (xii) Air (Prevention and Control of Pollution) Act, 1981

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings,

agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has issued 1,35,50,000 at price of ₹ 14.50 (Including premium of ₹ 4.50) per share equity shares to the public through right issue.

Date : 11/08/2017  
Place : Ahmedabad

Sd/-  
**JATIN H. KAPADIA**  
COMPANY SECRETARY  
COP: 12043

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

#### 'Annexure A'

To,  
**CIL NOVA PETROCHEMICALS LIMITED**

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

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

Date : 11/08/2017  
Place : Ahmedabad

Sd/-  
**JATIN H. KAPADIA**  
COMPANY SECRETARY  
COP: 12043



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Management Discussion and Analysis is part of Directors Report for the Year Ended 31<sup>st</sup> March, 2017)

### ➤ INDUSTRIAL STRUCTURE, DEVELOPMENT AND OVERVIEW :

The Indian Man-made fibre Manufacturing industry is growing rapidly and largest export earner for Indian economy, particularly in textile industry. This Industry is expected to grow @ 7% in 2016-17 backed by low crude oil prices.

As per CMIE report Demand recovery for manmade filament. fibre and Yarn will increase backed by apparel manufacturer. PTA and MEG prices are stable/coming down is leading to decline in polyester prices.

The Overall performance of the company for the year under review improved in line with the business re-engineering work undertaken. However due to Demonetization overall slowdown in business affected during the year under review.

### ➤ FINANCIAL PERFORMANCE:

The total revenue during the year under review was ₹22339.87 Lakhs as against ₹20220.18 Lakhs in the previous year showing a increase of 9.41%. However productivity was increased in comparison to previous year production, However Profit before tax (PBT) was ₹ 695.82 Lakhs as against ₹ 790.82 Lakhs, showing a decrease of 13.65% and profit after tax (PAT) stood at ₹ 500.36 Lakhs as against ₹ 547.62 Lakhs in the previous year showing a decrease of 9.45% due to market situation profit margins were reduced.

### ➤ OPPORTUNITY:

The textile industry plays an important role and contributes to industrial output and employment generation to the extent of 10% of manufacturing production 2% of India's GDP and 15% of India's export earnings. We updated ourselves and find a good opportunity for further growth with the pace of Industry growth.

### ➤ THREATS:

The company is operating in an environment that is becoming more and more competitive. Successful risk management implies not avoidance of risk, but anticipation of the same and formulation and implementation of relevant mitigation strategies.

The Indian Textile Industry is highly competitive particularly in POY AND FDY segment. Our company is medium sized company in the polyester industry. Domestic production is dominated by few organized players who have integrated facilities and large sized. Our product mix spread over important polyester products-POY,FDY,DOPE DYED,TEXTURISED Yarn. We will keep opportunity of further backward and forward integration cum expansion program in future.

The company sales in Domestic market only so, the factors that may adversely affect the Indian economy and in turn company's business includes rising in interest rate, inflation, change in tax structure, fiscal and monetary policies. Over capacity in POY and FDY can affect margins.

Obsolescence of technology, risk in industrial environment from competition, changing customer needs may affect company's business.

### ➤ SEGMENT WISE PERFORMANCE:

Based on the principles for determination of segments given in Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India and in the opinion of management the Company is primarily engaged in the business of manufacturing of Yarn. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

The company has identified geographical segment as its secondary business segment, the details are as follows:

Secondary Segment Information for the period ended 31st March, 2017

(Amount in ₹)

Sr. No.	Particulars	India	Rest of World	Total
1	Segment Revenues	2,212,370,336 (2,006,400,303)	21,616,923 (Nil)	2,233,987,259 (2,006,400,303)
2	Segment Assets	1,611,319,738 (1,515,104,912)	64,839 (Nil)	1,611,384,577 (1,515,104,912)
3	Capital Expenditure during the period	47,976,610 (25,808,995)	Nil (Nil)	47,976,610 (25,808,995)

➤ **OUTLOOK:**

Your Company's future growth is built on domestic consumption of textiles & clothing. The company is expected to grow in line with textile industry. It is expected that Textile Business shall continue to grow at 8%-9%. Your company continues to build on the Technical Textiles Business. On the whole the outlook for the company continues to remain positive. The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, productivity improvement and cost reduction exercise.

➤ **RISK AND CONCERN:**

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

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

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

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

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

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

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

➤ **HUMAN RESOURCE:**

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building efforts are made to enhance employee skills, motivation as also to foster team spirit. Industrial relations were cordial throughout the year. The Company has 148 employees as on year ended 31<sup>st</sup> March, 2017

➤ **CAUTIONARY STATEMENT**

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

**For, CIL Nova Petrochemicals Limited**

**Sd/-  
Jyotiprasad Chiripal  
Chairman  
DIN: 00155695**

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

## REPORT ON CORPORATE GOVERNANCE

(The Report on Corporate Governance forms part of the Directors Report for the year Ended on 31<sup>st</sup> March, 2017)

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

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

### 2. BOARD OF DIRECTORS AND ITS COMPOSITION:

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

The Strength as on 31<sup>st</sup> March, 2017 the Board of Directors of the Company consisted of 6 (Six) Directors out which 4 (Four) were Independent Directors of which 1 (one) was Woman Independent Director, 1 (One) is Whole-time Director and 1 (One) is Executive Director. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Four Independent Directors were Mr. Ambalal Patel, Mr. Rajendraprasad Shah, Ms. Chinar Jethani and Mr. Murlimanoohar Goyal.

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

In terms of Schedule V (C) (2) (e) and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, none of the Directors are related to each other except Mr. Vedprakash Chiripal and Mr. Jyotiprasad Chiripal are Brothers. **Further, Mr. Vedprakash Chiripal tendered his resignation on 17<sup>th</sup> February, 2017.**

During the financial year 2016-17, 4 (Four) Meetings of the Board of Directors were held on following days: 23<sup>rd</sup> May, 2016; 13<sup>th</sup> August, 2016; 12<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017.

The details of the number of Board and General Meeting(s) attended by each Director during the year ended 31<sup>st</sup> March, 2017 and Directorship and/ or Membership/ Chairmanship of the Committees of Board (except Private Companies, Non-Profit Companies and Foreign Companies) held by each of them as on 31<sup>st</sup> March, 2017 are given below:

Name of Director	Category	Attendance Particulars			No. of other Director-ships (Including this Listed Company)	No. of Committee Positions held (including this Company) <sup>@</sup>	
		No. of Board Meetings held	No. of Board Meetings Attended	Attended Last AGM		Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Mr. Jyotiprasad Chiripal	Promoter/ Chairman/ Executive Director	4	4	Yes	2	5	0
Mr. Vedprakash Chiripal*	Promoter/ Executive Director	4	3	No	1	2	0
Mr. Pooransingh Mathuria	Whole-time Director	4	4	Yes	1	0	0
Mr. Ambalal Patel	Independent Director	4	4	Yes	7	9	3
Mr. Rajendraprasad Shah	Independent Director	4	4	Yes	3	3	1
Mr. Murlimahohar Goyal	Independent Director	4	4	No	1	2	0
Ms. Chinar Jethwani	Independent Director	4	4	Yes	2	5	0

\* Mr. Vedprakash Chiripal Resigned from the Board of the Company from 17<sup>th</sup> February, 2017

@ As per Regulation 26(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31<sup>st</sup> March, 2017.

**Disclosure of Shareholding of Non-Executive Directors:**

Name of the Director	Shares held as on 31 <sup>st</sup> March, 2017 (Own or held by/for other persons on a beneficial basis)
Mr. Ambalal Patel	1650
Mr. Rajendraprasad Shah	Nil
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Jethwani	Nil

**3. BOARD COMMITTEES:**

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

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

**A. AUDIT COMMITTEE:**

**TERMS OF REFERENCE:**

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

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

**COMPOSITION COMMITTEE:**

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

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

Mr. Chintan Amlani, Company Secretary and Compliance Officer acted as Secretary of the Committee.

The quorum for the Meeting of the Audit Committee is as per applicable laws. During the year under review, the Committee met four times, i.e. 23<sup>rd</sup> May, 2016; 13<sup>th</sup> August, 2016; 12<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017 The details of the attendance of Directors at Audit Committee meetings during the financial year are as under:

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

**B. NOMINATION AND REMUNERATION COMMITTEE:**

**TERM OF REFERENCE:**

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

- Identifying and selection of candidates for appointment as Directors/ Independent Director based on certain laid down criteria;
- Performing all such functions as are required to be performed by the Committee with regard to ESPS/ ESOPs under the Regulations issued by Securities and Exchange Board of India from time to time; and
- Such other matters as specified under Listing Regulations and requirements of Section 178 of the Companies Act, 2013 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.

**COMPOSITION AND ATTENDANCE AT MEETINGS:**

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

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

Mr. Chintan Amlani, Company Secretary and Compliance Officer acted as Secretary of the Committee.

During the year under review, the Committee met three times, i.e. on 23<sup>rd</sup> May, 2016, 13<sup>th</sup> August, 2016 and 12<sup>th</sup> November, 2016. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

Name of Director	No. of Meeting Attended
Mr. Murlimanohar Goyal	03
Mr. Jyotiprasad Chiripal	02
Mr. Ambalal Patel	03

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

**C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**
**TERM OF REFERENCE:**

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

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

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

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

During the year under review, the Committee met four times, i.e. on 30<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 6<sup>th</sup> November, 2015 and 13<sup>th</sup> February, 2016. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

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

The equity shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). As on 31<sup>st</sup> March, 2017 the Company had 6259 (Six Thousand Two Hundred Fifty Nine) shareholders.

At the beginning of the year, there were no complaints / correspondences which were pending. During the year under review, the Company and M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent, received no complaints/ correspondence/ grievances and there were no pending complaints as at 31<sup>st</sup> March, 2017.

**D. OTHER COMMITTEES:**

In addition to the above referred committees, the Board has also constituted committees of Directors to look into various business matters. These Committees includes Management Committee & Corporate Social Responsibility Committee.

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

#### 4. INDEPENDENT DIRECTORS' MEETING:

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

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

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

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

#### 5. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

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

#### 6. REMUNERATION OF DIRECTORS:

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

##### Remuneration Policy:

##### A. Remuneration to Whole-time Director:

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

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

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

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

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

The details of remuneration (including perquisites and allowances) paid during the year ended 31<sup>st</sup> March, 2017 are as follows:

(Amount in Lakhs)

Break-up of Remuneration#	Mr. Pooransingh Mathuria# (Whole-time Director)
Fixed Component	
Basic Salary	1.88
House Rental Allowance	1.89
Conveyance Allowance	2.99
Other allowances	6.68
Total	13.44

# there is only fixed portion in remuneration of Mr. Pooransingh Mathuria there is no variable component in remuneration of Mr. Pooransingh Mathuria.

## B. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the meetings of the Board or Committee thereof within the limits prescribed under the Companies Act, 2013. Apart from the sitting fees paid by the Company, the Non-Executive Directors, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2016-17.

**The details of payments made to Non-Executive Directors during the year ended 31<sup>st</sup> March, 2017 are as under:**

(Amount in Lakhs)

Name of the Director	Sitting Fees
Mr. Ambalal Patel	1.94
Mr. Rajendra Shah	1.94
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Rajkumar Jethwani	0.72

## C. Remuneration to Key Managerial Personnel and other employees

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

Remuneration Policy is also available at <http://cnpl.com/corporate-policies>.

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

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at [www.cnpl.com](http://www.cnpl.com). All Board members and senior management have confirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2017. Code of Conduct is available at <http://cnpl.com/code-of-conduct>. The Annual Report contains a declaration to this effect signed by the Director.

### a) ANNUAL GENERAL MEETING:

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

General Meeting	Date, Day and Time	Venue	Special Resolution Passed
Twelfth Annual General Meeting	26 <sup>th</sup> September, 2016, Monday at 3:00 PM	Survey No.396(P),395/4(P),Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad - 382201	---
Eleventh Annual General Meeting	26 <sup>th</sup> September, 2015, Saturday 11:30 A.M.	Survey No.396(P),395/4(P),Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad - 382201 Tal. Sanand, Ahmedabad - 382201	---
Tenth Annual General Meeting	20 <sup>th</sup> September, 2014 Saturday, 3:00 P. M.	Survey No.396(P),395/4(P),Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad - 382201 Tal. Sanand, Ahmedabad - 382201	<ol style="list-style-type: none"> <li>To reconfirm Borrowing Authority to Board of Directors under section 180 (1) (c) of Companies Act, 2013.</li> <li>To approve authority to Board of Directors for creating charge/security over the assets / undertaking of the Company under Section 180 (1) (a) of the Companies Act, 2013</li> </ol>

### b) POSTAL BALLOT:

There was no postal ballot held during the Financial Year 2016-17, none of the resolution is proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

## 8. MEANS OF COMMUNICATION:

Quarterly/ annual audited financial results are regularly submitted to the Stock Exchanges where the shares of the Company are listed in accordance with the Listing Regulations and are widely published in a prominent English newspaper "The Financial Express or Indian Express" and in a regional language newspaper, "The Financial Express Gujarati". The quarterly/annual results are also displayed on the Company's website www.cnpl.com soon after their declaration.

### A. GENERAL INFORMATION TO SHAREHOLDERS

#### a) Annual General Meeting:

**Date, Day and Time:** Saturday, 23<sup>rd</sup> September, 2017 at 3:00 P.M.

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

b) **Financial Year:** The Financial Year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March

#### c) Tentative Results:

First Quarter : Second Week of August, 2017

Second Quarter : Second Week of November, 2017

Third Quarter : Second Week of February, 2018

Fourth Quarter : Fourth Week of May, 2018

d) **Date of Book Closure:** Wednesday, 20<sup>th</sup> September, 2017 to Friday, 22<sup>nd</sup> September, 2017 (Both days inclusive)

#### e) Listing on Stock Exchanges:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001

National Stock Exchange of India Limited (NSE)

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051

#### f) Listing Fees:

Listing fees of both the Stock Exchanges for the year 2016-17 have been paid.

#### g) Stock Code:

BSE: 533407, NSE: CNOVAPETRO, ISIN: INE672K01025

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

Month	BSE		NSE	
	High	Low	High	Low
April, 2016	35.00	23.85	36.00	24.50
May, 2016	37.15	28.50	37.00	28.55
June, 2016	35.15	29.00	35.50	29.65
July, 2016	36.75	31.60	38.70	32.00
August, 2016	36.30	32.00	38.70	34.50
September, 2016	37.65	32.25	36.85	31.95
October, 2016	51.50	31.35	49.15	30.20
November, 2016	35.15	22.60	34.95	21.90
December, 2016	25.50	20.60	27.40	20.65
January, 2017	26.00	23.00	25.50	23.00
February, 2017	24.45	20.65	25.30	20.70
March, 2017	24.85	20.75	25.30	20.30



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

Month	SENSEX	Share Price (Closing Price)	NIFTY	Share Price
April, 2016	25606.62	32.35	7849.80	34.00
May, 2016	26667.96	35.15	8160.10	33.55
June, 2016	26999.72	33.00	8287.75	33.00
July, 2016	28051.86	34.10	8638.50	37.80
August, 2016	28452.17	34.75	8786.20	35.00
September, 2016	27865.96	36.00	8611.15	34.00
October, 2016	27930.21	35.25	8625.70	33.00
November, 2016	26652.81	25.80	8224.50	26.10
December, 2016	26626.46	23.40	8185.80	23.45
January, 2017	27655.96	23.70	8561.30	23.30
February, 2017	28743.32	23.80	8879.60	23.00
March, 2017	29620.50	22.85	9173.75	21.80

j) **Distribution of Shareholding as at 31<sup>st</sup> March, 2017**

Sr. No.	Shareholding Of Shares	Shareholder	Percentage of Total	Total Shares	Percentage of Total Shares
1	1 - 500	5664	90.46	6,99,748	2.58
2	501 – 1,000	245	3.91	2,08,479	0.77
3	1,001 – 2,000	146	2.33	2,13,796	0.79
4	2,001 – 3,000	58	0.93	1,46,869	0.54
5	3,001 – 4,000	18	0.29	65,731	0.24
6	4,001 – 5,000	18	0.29	83,535	0.31
7	5,001 – 10,000	29	0.46	2,08,295	0.77
8	10,001 and Above	83	1.33	2,54,73,547	94.00
<b>Total</b>		<b>6261</b>	<b>100.00</b>	<b>2,71,00,000</b>	<b>100.00</b>

k) **Dematerialization of Shares and Liquidity**

Equity shares of the promoters and promoter group are 100% in dematerialized form. As on 31<sup>st</sup> March, 2017, 2,65,59,267 (Two Crores Sixty Five Lakhs Fifty Nine Thousand Two Hundred Sixty Seven) a total of equity shares aggregating to 98.01% of the total issued, subscribed and paid-up equity share capital of the Company, are in dematerialised form.

l) **Outstanding GDRs / ADRs / Warrants or any Convertible instruments: NIL**

m) **Category wise Shareholding as at 31<sup>st</sup> March, 2017**

Category	Total Shares	Total Percent
Corporate Bodies (Promoter Co.)	1,19,08,405	43.94
Clearing Members	60,581	0.22
Other Bodies Corporate	46,73,841	17.25
Hindu Undivided Family	4,10,838	1.52
Non Nationalised Banks	300	0.00
Non Resident Indians	5,61,547	2.07
Non Resident (Non Repatriable)	9,782	0.04
Overseas Corporate Bodies	2,500	0.01
Public	31,24,969	11.53
Promoters	62,03,587	22.89
Trusts	1,000	0.00
Foreign Portfolio Investors (Corporate)	1,42,650	0.53
<b>TOTAL :</b>	<b>2,71,00,000</b>	<b>100.00</b>

n) **Plant Location:**

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

o) **Address of Correspondence:**

The Company Secretary  
CIL Nova Petrochemicals Limited  
Survey No. 396 (P), 395/4 (P), Moraiya Village,  
Sarkhej - Bavla Highway, Tal. Sanand,  
Ahmedabad – 382201 Gujarat.  
Email: [investorgrievances.cilnova@chiripalgroup.com](mailto:investorgrievances.cilnova@chiripalgroup.com)  
Fax No.: +91-2717-251612  
Tel. No.: +91-2717-250556-7-8, +91-9825800060

**Registrar and Share Transfer Agent**

Link Intime India Private Limited  
5<sup>th</sup> floor, 506 to 508 Amarnath Business Centre - I (ABC - I),  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off C. G. Road, Navarangpura, Ahmedabad - 380009  
Email: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)  
Fax No.: 079-26465179  
Tel No. 079-26465177

p) **Share Transfer System:**

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

**9. DISCLOSURES:**

a) **Related Party Transactions**

The Company has no material significant related party transactions as per Companies Act 2013, that may have a potential conflict with the interest of the Company. The details of transactions between the Company and the related parties are given under Notes to the Financial Statement for the year ended 31<sup>st</sup> March, 2017. The Board has approved a policy for related party transactions which has been uploaded on the Company's website and the web link is <http://cnpl.com/corporate-policies>.

b) **No Penalty or Strictures**

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

c) **Proceeds from right issue:**

The Company had raised ₹ 19.65 Crores through right issue of equity shares on right basis in ration of 1:1 during the financial year under the review. The proceeds of the issue were fully utilized during the year. Further, details are available in note no. 34 of Financial Statement and are also available at [www.cnpl.com](http://www.cnpl.com).

d) The Company has complied with all the mandatory requirements of Corporate Governance as on 31<sup>st</sup> March, 2017 and are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

g) **CEO/CFO Certification:**

A certification from the CEO and CFO as specified in Part B of Schedule II in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations was placed before the Board Meeting held on 30<sup>th</sup> May, 2017 to approve the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2017.

h) **Material Subsidiaries:**

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

**For, CIL Nova Petrochemicals Limited**

Sd/-  
**Jyotiprasad Chiripal**  
Chairman  
DIN: 00155695

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

#### CFO Certification

I, Satish Bhatt, Chief Financial Officer certify that;

- A. I have reviewed the financial statements and cash flow statement for the year ended on 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31<sup>st</sup> March, 2017 are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps have been taken to rectify these deficiencies.
- D. I further certify that we have indicated to the auditors and the Audit Committee that;
  - i. There has not been any significant changes in internal control over financial reporting during the year under reference;
  - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**For, CIL Nova Petrochemicals Limited**

Place : Ahmedabad  
Date : 30 May, 2017

**Sd/-**  
**Satish Bhatt**  
**Chief Financial Officer**

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#### CODE OF CONDUCT - DECLARATION

As required under Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended 31<sup>st</sup> March, 2017.

**For, CIL Nova Petrochemicals Limited**

Place : Ahmedabad  
Date : 12<sup>th</sup> August, 2017

**Sd/-**  
**Jyotiprasad Chiripal**  
**Chairman**  
**DIN: 00155695**

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS  
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

TO,  
THE MEMBERS OF  
**CIL NOVA PETROCHEMICALS LTD**

- (a) I, **Jatin Harishbhai Kapadia**, Company Secretary, the Company Secretary in practice, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 except regulation 24 as not applicable to the Company and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
- (b) The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.
- (c) My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- (d) I have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- (e) Based on my examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, I, certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2017.
- (f) I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date : 12/08/2017  
Place : Ahmedabad

Sd/-  
**JATIN H. KAPADIA**  
COMPANY SECRETARY  
COP: 12043

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**CIL NOVA PETROCHEMICALS LIMITED**  
Ahmedabad

### 1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **CIL NOVA PETROCHEMICALS LIMITED ("the Company")**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2017**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### 2. Management's Responsibility for the Standalone Financial Statements

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

### 3. Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

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

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

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

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

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

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

### 5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management– Refer Note 34 to the financial statements.

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FRN No. 109616W]

Sd/-  
**(J. T. Shah)**  
Partner  
[M. No. 3983]

Place : Ahmedabad  
Date. : 30/05/2017

#### **ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 5 (i) of our Report of even date to the Members of **CIL NOVA PETROCHEMICALS LIMITED** for the year ended **31<sup>st</sup> March, 2017**.

##### **1. In respect of Fixed Assets :**

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

##### **2. In respect of Inventories :**

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

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

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

##### **4. Loans, Investments and gurantees:**

According to the information and explanation given to us, the company had neither given any loan, guarantee or security, nor made any investments during the year. Hence the provisions of section 185 and 186 are not applicable. Therefore clauses (iv) of companies (Auditor's Report) Order, 2016 is not applicable.

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

6. We have broadly reviewed the books of account maintained by the company pursuant to the companies (Cost Accounting Records) Rule, 2011 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

##### **7. In respect of Statutory Dues :**

- (a) According to the records of the Company, the Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise, value

added tax, cess and other statutory dues with the appropriate authorities applicable to it except in few cases in respect of Tax Deducted at Source and Value Added Tax. According to the information and explanations given to us, no undisputed amounts payable in respect statutory dues were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of the Dues	Year	Amount (₹)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand & Interest	2010-11	2,719,970	Income Tax Appellate Tribunal
	Income Tax Demand & Interest	2011-12	23,721,760	Income Tax Appellate Tribunal
	Income Tax Demand & Interest	2012-13	16,262,720	Income Tax Appellate Tribunal
	Income Tax Demand & Interest	2013-14	13,540,900	Commissioner of Income Tax (Appeals)
	Income Tax Penalty	2008-09	385,618	Commissioner of Income Tax (Appeals)
	Income Tax Penalty	2010-11	765,401	Commissioner of Income Tax (Appeals)
	Income Tax Penalty	2011-12	12,94,840	Commissioner of Income Tax (Appeals)
The Central Excise and Customs Act	Excise Duty & Penalty	2003-04	3,230,730	Custom Excise and Service Tax Appellate Tribunal
	Excise Duty & Penalty	2006-07 & 2007-08	1,959,742	Commissioner of Excise and Customs (Appeals)
The Finance Act, 1994	Service Tax & Penalty	2004-05	3,398,641	Custom Excise and Service Tax Appellate Tribunal
	Service Tax & Penalty	2005-06	146,479	Assistant Commissioner of Central Excise
The Textile Committee Amendment Act, 1973	Textile Cess	1995 to 2005	5,090,119	Textiles Committee, Government of India, Ministry of Textiles
Gujarat Pollution Control Act	Compensation	2004 to 2010	5,164,620	High Court of Gujarat

8. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Financial Institutions, Banks or debenture holders.
9. According to the information and explanations given to us, the company has raised the money by way of right issue during the year under consideration. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, in our opinion, the amount raised during the year has been applied for the purpose for which they were obtained. The details in respect of utilization of the same have been provided in Note No.34 forming part of balance sheet. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the company. Hence, clause (xii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions entered by the company with related parties are in compliance with the provisions of section 177 and 188 of The Companies Act, 2013 and details thereof are properly disclosed in the financial statements.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review hence provisions of sections of 42 of the Companies Act, 2013 are not applicable.
15. The company had not entered in to any non-cash transactions with the directors or persons connected with him during the year, hence section 192 of the Companies' Act , 2013 is not applicable hence clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.
16. In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FRN No. 109616W]

Sd/-  
**(J. T. Shah)**  
Partner  
[M. No. 3983]

Place : Ahmedabad  
Date : 30/05/2017

### **ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 5(ii)(f) of our Report of even date to the Members of **CIL NOVA PETROCHEMICALS LIMITED** for the year ended **31<sup>st</sup> March, 2017**.

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **CIL NOVA PETROCHEMICALS LIMITED** as of **31<sup>st</sup> March 2017**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

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

**For, J. T. Shah & Co.**  
Chartered Accountants,  
[FRN No. 109616W]

Sd/-  
**(J. T. Shah)**  
Partner  
[M. No. 3983]

Place : Ahmedabad  
Date. : 30/05/2017



**BALANCE SHEET AS AT 31/03/2017**

Particulars	Note No.	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>[1] Shareholders' Funds :</b>			
[a] Share Capital	2	271,000,000	135,500,000
[b] Reserves & Surplus	3	558,904,333	447,893,412
		<u>829,904,333</u>	<u>583,393,412</u>
<b>[2] Share Application Money</b>		Nil	Nil
<b>[3] Non-Current Liabilities :</b>			
[a] Deferred Tax Liabilities (Net)	4	Nil	Nil
[b] Long-term Borrowings	5	1,075,873	204,959,672
[c] Long-term Provisions	6	Nil	Nil
[d] Other Non-Current Liabilities	9	120,000,000	120,000,000
		<u>121,075,873</u>	<u>324,959,672</u>
<b>[4] Current Liabilities</b>			
[a] Short-term Borrowings	7	242,607,024	165,441,755
[b] Trade Payables			
(i) Total outstanding dues to Micro Small enterprise & Small enterprise	8	Nil	Nil
(ii) Total outstanding dues to other than Micro enterprise & Small enterprise	8	289,867,896	218,289,090
[c] Short-term Provisions	6	5,672,358	9,010,226
[d] Other Current Liabilities	9	122,257,093	214,010,757
		<u>660,404,371</u>	<u>606,751,828</u>
<b>Total .....</b>		<b><u>1,611,384,577</u></b>	<b><u>1,515,104,912</u></b>
<b>ASSETS :</b>			
<b>[1] Non-Current Assets</b>			
[a] Fixed Assets :			
(i) Property, Plant and Equipments	10	895,321,014	901,226,921
(ii) Intangible Assets		Nil	Nil
(iii) Capital Work in Progress		48,160,593	48,160,593
		<u>943,481,607</u>	<u>949,387,514</u>
[b] Non-Current Investments	11	2,218	2,218
[c] Long-term Loans and Advances	12	19,135,716	12,597,849
[d] Other Non-Current Assets	13	Nil	Nil
		<u>962,619,541</u>	<u>961,987,581</u>
<b>[2] Current Assets</b>			
[a] Inventories	14	164,472,958	165,535,268
[b] Trade Receivables	15	435,100,110	356,623,135
[c] Cash & Bank Balances	16	17,070,410	12,228,039
[d] Short term Loans and Advances	12	32,121,558	18,730,889
		<u>648,765,036</u>	<u>553,117,331</u>
<b>Total .....</b>		<b><u>1,611,384,577</u></b>	<b><u>1,515,104,912</u></b>
Significant Accounting Policies	1		
Notes forming part of Financial Statements	2 to 39		

As per our report of even date attached herewith

**For, J.T.Shah & Co.**  
Chartered Accountants  
[FRN No. 109616W]

**Sd/-**  
**[J. T. Shah]**  
Partner  
[M. No. 3983]  
Place : Ahmedabad  
DATE : 30/05/2017

**For, CIL NOVA PETROCHEMICALS LTD.**
**Sd/-**  
**Jyotiprasad Chiripal**  
Chairman  
(DIN : 00155695)

**Sd/-**  
**Satish Bhatt**  
CFO

Place : Ahmedabad  
Date : 30/05/2017

**Sd/-**  
**Pooransingh Mathuria**  
Whole-time Director  
(DIN : 7430356)

**Sd/-**  
**Chintan Amlani**  
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31/03/2017**

Particulars	Note No.	For the period ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
<b>INCOME</b>			
Revenue from Operations	17	2,488,597,162	2,238,729,041
Less: Excise Duty		260,806,830	236,134,628
		<u>2,227,790,332</u>	<u>2,002,594,413</u>
Other Income	18	6,196,927	3,805,890
<b>Total Revenue</b>		<b><u>2,233,987,259</u></b>	<b><u>2,006,400,303</u></b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	19	1,517,857,119	1,326,981,269
Purchase of Stock in Trade	20	156,607,988	82,273,802
Changes in Inventories of Finished Goods & Work in Process	21	(52,554,179)	28,519,870
Employee Benefits Expense	22	82,912,185	65,496,485
Finance Costs	23	24,243,949	37,643,850
Depreciation and Amortisation expense	24	53,866,482	58,876,160
Other Expenses	25	381,471,849	327,527,212
<b>Total Expenses</b>		<b><u>2,164,405,393</u></b>	<b><u>1,927,318,649</u></b>
<b>Profit/(Loss) before Tax</b>		<b><u>69,581,866</u></b>	<b><u>79,081,654</u></b>
<b>Less : Tax expense:</b>			
- Current Tax		14,187,050	16,123,800
- Dferred Tax	4	Nil	Nil
- Short Provision of Income Tax of Earlier Years		5,358,895	8,195,358
<b>Profit for the year</b>		<b><u>50,035,921</u></b>	<b><u>54,762,496</u></b>
Basic & diluted earnings per share of ₹10 each	29	2.31	2.87
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 39		

As per our report of even date attached herewith

**For, J.T.Shah & Co.**  
Chartered Accountants  
[FRN No. 109616W]

**Sd/-**  
**[J. T. Shah]**  
Partner  
[M. No. 3983]  
Place : Ahmedabad  
DATE : 30/05/2017

**For, CIL NOVA PETROCHEMICALS LTD.**

**Sd/-**  
**Jyotiprasad Chiripal**  
Chairman  
(DIN : 00155695)

**Sd/-**  
**Satish Bhatt**  
CFO

Place : Ahmedabad  
Date : 30/05/2017

**Sd/-**  
**Pooransingh Mathuria**  
Whole-time Director  
(DIN : 7430356)

**Sd/-**  
**Chintan Amlani**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2017

	31-03-2017	31-03-2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax from Continuing Operations</b>	<b>69,581,866</b>	<b>79,081,654</b>
	<b>69,581,866</b>	<b>79,081,654</b>
<b>Non Cash Adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation	53,866,482	58,876,160
Bad Debts Written Off/ Sundry Balance Written off	(18,281)	(63,015)
Provision for doubtful debts written back	(13,908)	Nil
Loss/ (Profit) on sale of fixed assets (net)	1,033	(246,578)
Interest Received	(4,376,564)	(3,736,355)
Interest and Finance Charges	24,243,949	37,643,850
	<b>73,702,711</b>	<b>92,474,062</b>
<b>Adjustment for Movements in Working Capital:</b>		
Increase/(decrease) in trade Payables	71,597,086	44,163,681
Increase/(decrease) in long-term Provisions	Nil	(30,133)
Increase/(decrease) in short-term Provisions	447,932	568,663
Increase/(decrease) in other current liabilities	23,684,574	(15,313,237)
Increase/(decrease) in other long-term liabilities	Nil	120,000,000
Decrease/(increase) in trade receivables	(78,463,067)	(145,482,286)
Decrease/(increase) in inventories	1,062,310	(58,230,220)
Decrease/(increase) in long term loans and advances	(2,188,615)	150,000
Decrease/(increase) in short term loans and advances	(12,859,803)	217,930,035
Decrease/(increase) in other current assets	Nil	Nil
Decrease/(increase) in other non-current assets	Nil	Nil
	<b>3,280,417</b>	<b>163,756,503</b>
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>146,564,994</b>	<b>335,312,220</b>
Direct Taxes paid	(18,163,088)	(17,492,097)
	<b>(18,163,088)</b>	<b>(17,492,097)</b>
	<b>128,401,906</b>	<b>317,820,123</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Incl. WIP)	(173,570,770)	(48,391,731)
Sale of Fixed Asset	15,000	1,102,085
Proceeds from sale / disposed of investments	Nil	10,000
Investment received back from Fixed deposits	(4,823,494)	7,509,725
Interest Received	4,327,789	4,104,275
	<b>(174,051,475)</b>	<b>(35,665,646)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowing Taken during the year	Nil	Nil
Long Term Borrowing Paid during the year	(203,727,875)	(177,780,667)
Short Term Borrowing Taken During the year	77,165,269	Nil
Short Term Borrowing Paid During the year	Nil	(22,878,029)
Right Issue Proceed including share premium	196,475,000	Nil
Interest paid	(24,243,949)	(37,643,850)
Repayment of Preference Share Capital	Nil	(50,000,000)
	<b>45,668,445</b>	<b>(288,302,546)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>18,876</b>	<b>(6,148,070)</b>
Opening Balance of Cash and cash equivalents	1,519,453	7,667,524
Closing Balance of Cash and cash equivalents	1,538,329	1,519,453
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>18,876</b>	<b>(6,148,070)</b>

### Notes:

- => The above Cash Flow Statement has been prepared under the Indirect Method set out in Accounting Standard 3 issued by ICAI.
- => Cash and Cash equivalent includes ₹NIL (P.Y. ₹Nil/-) towards Unclaimed dividend which have been kept in separate earmarked accounts and no transactions except for the stated purpose are done through such account.

As per our report of even date attached herewith

**For, J.T.Shah & Co.**  
Chartered Accountants  
[FRN No. 109616W]

**Sd/-**  
**[J. T. Shah]**  
Partner  
[M. No. 3983]  
Place : Ahmedabad  
DATE : 30/05/2017

**For, CIL NOVA PETROCHEMICALS LTD.**

**Sd/-**  
**Jyotiprasad Chiripal**  
Chairman  
(DIN : 00155695)

**Sd/-**  
**Satish Bhatt**  
CFO

Place : Ahmedabad  
Date : 30/05/2017

**Sd/-**  
**Pooransingh Mathuria**  
Whole-time Director  
(DIN : 7430356)

**Sd/-**  
**Chintan Amlani**  
Company Secretary

## 1 SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of Preparation of financial Statements

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

### b. Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

### c. Property, Plant & Equipment

Property, Plant & Equipments are stated at cost, net of Cenvat, less accumulated depreciation. All costs, including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. CENVAT credits on capital goods are accounted for by reducing the cost of capital goods.

When assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss for the relevant financial year.

Depreciation on Assets other than Electrical Installation and Plant and Machinery has been provided on "Straight Line Method" at the rates provided in Schedule II of the Companies Act, 2013. Depreciation on Electrical Installation has been provided on "Straight Line Method" by taking the total life of assets at 28 years based on internal technical evaluation. Depreciation on Plant and Machinery has been provided on "Written down Value Method" by taking the total life of assets at 28 years based on internal technical evaluation.

### d. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. All costs, including financing costs in respect of qualifying assets till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

Intangible assets are amortized on a straight – line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year or disposal.

### e. Inventories

Inventories at year-end are valued at the lower of cost or net realizable value. The basis of determining the cost for various categories of inventories is as follows:

- (i) In case of Raw Materials, Stores, Spares, Fuel and Packing Materials on FIFO basis.
- (ii) In case of Finished Goods and Work-In-Progress on FIFO basis.

### f. Foreign Currency Transactions

Transactions denominated in Foreign Currency are normally recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies at the year are translated at the rate prevailing on the date of Balance Sheet. Exchange differences are dealt with in the Profit & Loss account.

### g. Sales

Sales are accounted for on dispatch of goods to the customers and are inclusive of Excise Duty but net of Sales Tax, sales returns and trade discounts.

**h. Investments**

Non-Current Investments are stated at its cost. Provision is made for any diminution in the value of the Long Term Investments, if such decline is other than temporary.

**i. Borrowing Cost**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets, till such assets are ready for their intended use. A qualifying asset is the one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue. Capitalization of borrowing cost is suspended when active development is interrupted.

**j. Leases****Where the Company is the lessee**

Leases, wherein the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Where the Company Is the lessor**

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**k. Taxation**

- i) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.
- ii) Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realized in future.

**l. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

**m. Impairment of Assets**

The Management Periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amounts.

**n. Earning Per Share**

Basic earning per share is calculated by dividing net profit after tax for the year attributable to equity share holders of the company by the weighted average number of equity shares issued during the year. Diluted earning per share is calculated by dividing net profit attributable to equity share holders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**o. Employee Benefits**

- (i) The employee and Company make monthly fixed Contribution to Government of India Employee's Provident fund equal to a specified percentage of the covered employee's salary, Provision for the same is made in the year in which service are rendered by the employees.
- (ii) The Liability for Gratuity to employee, which is a defined benefit plan, is determined on the basis of actuarial Valuation based on Projected Unit Credit method. Actuarial gain/Loss in respect of the same is charged to the profit and loss account.
- (iii) Leave encashment benefit to eligible employee has been ascertained on actuarial basis and provided for. Actuarial gain/loss in respect of the same is charged to the profit and loss account.
- (iv) Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

## 2 Share Capital

	As at 31/03/2017 ₹	As at 31/03/2016 ₹
[i] Authorised :		
2,75,00,000 (Previous Year 2,75,00,000) Equity shares of par value of ₹ 10 (P.Y. ₹ 10) each	275,000,000	275,000,000
5,00,000 (Previous Year 5,00,000) 8% Non Cumulative Redeemable Preference Shares of ₹ 100 (P.Y. ₹ 100) each	50,000,000	50,000,000
<b>Total .....</b>	<b>325,000,000</b>	<b>325,000,000</b>
[ii] Issued, Subscribed & Paid-up Capital :		
2,71,00,000 (Previous Year 1,35,50,000) Equity shares of ₹10 (P.Y. ₹ 10) each fully paid up.	271,000,000	135,500,000
<b>Total .....</b>	<b>271,000,000</b>	<b>135,500,000</b>

**2.1** Each Equity Shareholder is entitle to vote at the meeting shall unless a poll is demanded be decided on a show of hand and upon show of hands every member entitle to vote and present in person shall one vote, and upon a poll every member entitle to vote and persent in person or by proxy shall have one vote, for every share held by him.

**2.2** In the event of liquidation of the Company, the Preference Share holders will be entitled to receive any of the remaining assets of the company prior to equity share holders, after the distribution of all other preferential amounts. The holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts and preference share capital in proportion to the number of equity shares held by the shareholders.

**2.3** Under the scheme of demerger of Nova Petrochemicals Ltd, the company issued and allotted 2,70,00,000 equity shares amounting to ₹13,50,00,000/- to the share holders of Nova Petrochemicals Ltd. in the ratio of one equity share of face value of ₹5 each fully paid up in the company for every one equity share of ₹10 each fully paid up held by the shareholders of Nova Petrochemicals Ltd in the year 2009-10.

**2.4** Reconciliation of the number of Equity shares outstanding and the amount of share capital as at 31/03/2017 & 31/03/2016 is set out below.

Particulars	As at 31/03/2017		As at 31/03/2016	
	No. of Shares	Amt (₹)	No. of Shares	Amt (₹)
Shares at the beginning of face value of ₹ 10/- (PY. ₹10/-)	13,550,000	135,500,000	13,550,000	135,500,000
Addition: Shares issued upon Right Issue	13,550,000	135,500,000	Nil	Nil
Deletion	Nil	Nil	Nil	Nil
Shares at the end of face value of ₹10/- each (PY. ₹10/-)	27,100,000	271,000,000	13,550,000	135,500,000

**2.5** Reconciliation of the number of Preference shares outstanding and the amount of share capital as at 31/03/2017 & 31/03/2016 is set out below.

Particulars	As at 31/03/2017		As at 31/03/2016	
	No. of Shares	Amt (₹)	No. of Shares	Amt (₹)
Shares at the beginning	Nil	Nil	500,000	50,000,000
Addition	Nil	Nil	Nil	Nil
Deletion	Nil	Nil	500,000	50,000,000
Shares at the end	Nil	Nil	Nil	Nil

**2.6** The details of equity shareholders holding more than 5% shares as at 31/03/2017 and 31/03/2016 is set out below.

Particulars	As at 31/03/2017		As at 31/03/2016	
	No. of Shares	% held	No. of Shares	% held
Chiripal Exim LLP	5,500,000	20.30%	2,750,000	20.30%
Devkinandan Corporation LLP	4,557,747	16.82%	1,648,181	12.16%
Chiripal Industries Ltd.	1,514,000	5.59%	1,504,000	11.10%
Vedprakash D Chiripal	727,469	2.68%	727,469	5.37%
Tripoli Management Pvt. Ltd.	1,514,000	5.59%	Nil	Nil

### 3 Reserves & Surplus

	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>Share Premium</b>		
Balance as per last financial Statement	118,970,013	118,970,013
Add : Share Premium Received during the year	60,975,000	Nil
Closing Balance	<b>179,945,013</b>	<b>118,970,013</b>
<b>Revaluation Reserve</b>		
Balance as per last financial Statement	410,893,433	410,893,433
Closing Balance	<b>410,893,433</b>	<b>410,893,433</b>
<b>General Reserve</b>		
Balance as per last financial Statement	21,177,975	21,177,975
Closing Balance	<b>21,177,975</b>	<b>21,177,975</b>
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial Statement	(153,148,009)	(197,910,505)
Add : Profit for the year	50,035,921	54,762,496
Less: Trasferred to Prefernce Share Redemption Reserve	Nil	(10,000,000)
Net Deficit in the statement of Profit and Loss	<b>(103,112,088)</b>	<b>(153,148,009)</b>
<b>Prefernce Share Redemption Reserve</b>		
Balance as per last financial Statement	Nil	40,000,000
Add : Trasferred from Surplus from Statement of Profit and Loss	Nil	10,000,000
Add : Trasferred to Capital Redemption Reserve	Nil	(50,000,000)
Closing Balance	<b>Nil</b>	<b>Nil</b>
<b>Capital Redemption Reserve</b>		
Balance as per last financial Statement	50,000,000	Nil
Add : Trasferred from Prefernce Share Redemption Reserve	Nil	50,000,000
Closing Balance	<b>50,000,000</b>	<b>50,000,000</b>
<b>Total .....</b>	<b>558,904,333</b>	<b>447,893,412</b>

4 The Company is entitled for set off of carried forward unabsorbed depreciation against the future income under the Income Tax Act. Further company is also eligible for MAT credit under Income Tax Act . In the absence of reasonable certainty in respect of future income and as a matter of prudence, the company is not recognising the deferred tax asset as provided in the Accounting Standard 22 issued by The Institute of Chartered Accountants of India.

### 5 Long Term Borrowings

	Non-Current		Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Intercorporate Loans	Nil	201,500,000	Nil	Nil
Vehicle Loans	1,075,873	3,459,672	2,383,801	2,227,876
	<b>1,075,873</b>	<b>204,959,672</b>	<b>2,383,801</b>	<b>2,227,876</b>
The above amount Includes				
Secured Borrowings	1,075,873	3,459,672	2,383,801	2,227,876
Unsecured Borrowings	Nil	201,500,000	Nil	Nil
	<b>1,075,873</b>	<b>204,959,672</b>	<b>2,383,801</b>	<b>2,227,876</b>
Amount disclosed under the head 'Other Current Liabilities' (Note No. 9)	Nil	Nil	(2,383,801)	(2,227,876)
<b>Total .....</b>	<b>1,075,873</b>	<b>204,959,672</b>	<b>Nil</b>	<b>Nil</b>

**Security :**

Vehicle Loans are secured by Hypothecation of Vehicles.

Loan from related party and Intercompany Loans are unsecured.

**Interest:**

Interest on Vehicle Loans are ranging between 9.57% to 11.35% payable on monthly basis.

Loan from related party and Intercompany Loans are interest free Loans.

**Repayment:**

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

Particulars	Upto 1 year	2 to 4 Years	More than 5 years
Vehicle Loans	2,383,801	1,075,873	Nil

Intercompany Loans are repayable during the financial year 2018-19.

**6 Provisions**

	Non-Current		Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>Provisions for employee benefits</b>				
For Leave Encashment	Nil	Nil	5,437,532	4,808,426
For Gratuity (Net of Assets)	Nil	Nil	234,826	416,000
	<b>Nil</b>	<b>Nil</b>	<b>5,672,358</b>	<b>5,224,426</b>
Provision for Income Tax	Nil	Nil	Nil	16,285,800
Less: Advance Tax & TDS	Nil	Nil	Nil	(12500000)
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>3,785,800</b>
<b>Total .....</b>	<b>Nil</b>	<b>Nil</b>	<b>5,672,358</b>	<b>9,010,226</b>

**7 Short Term Borrowing**

	Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>Loans Repayable on Demand (Secured)</b>		
Working Capital Loans from Banks	242,607,024	165,441,755
<b>Total .....</b>	<b>242,607,024</b>	<b>165,441,755</b>

**Security :**

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

**8 Trade payables**

	Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Micro, Small and Medium Enterprises @	Nil	Nil
Other Trade payables	289,867,896	218,289,090
	<b>289,867,896</b>	<b>218,289,090</b>

@ The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.



**9 Other Liabilities**

	Non-Current		Current	
	As at	As at	As at	As at
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	₹	₹	₹	₹
Current Maturity of Long Term Borrowing (Note No. 5)	Nil	Nil	2,383,801	2,227,876
Creditor for Capital Goods	Nil	Nil	55,307,562	170,901,724
Creditors for Expense	Nil	Nil	42,210,073	25,870,107
Advance received from customers	Nil	Nil	1,666,552	1,495,936
Interest Accrued but not due on Borrowing	Nil	Nil	26,533	42,404
Salary & Wages Payable	Nil	Nil	8,198,683	6,675,826
Other Statutory dues	Nil	Nil	4,579,548	2,205,028
Dealer Deposits	120,000,000	120,000,000	1,398,000	1,533,000
Provision for Excise Duty on Finished Goods	Nil	Nil	6,486,341	3,058,857
Investor Education & Protection Fund	Nil	Nil	Nil	Nil
	<b>120,000,000</b>	<b>120,000,000</b>	<b>122,257,093</b>	<b>214,010,757</b>

**10**

Particulars	Property, Plant and Equipments								INTANGIBLE ASSETS		
	Free Hold Land*	Buildings	Furniture & Fixtures	Electrical Installation	Computer	Plant & Machinery	Equipment	Vehicle	Total of Tangible Assets	Computer Software	Total of Intangible Assets
<b>AT 01.04.2015</b>	<b>425,442,222</b>	<b>271,268,482</b>	<b>4,092,996</b>	<b>261,004,886</b>	<b>3,732,377</b>	<b>1,622,490,707</b>	<b>15,084,169</b>	<b>13,988,134</b>	<b>2,617,103,972</b>	<b>448,141</b>	<b>448,141</b>
Addition	Nil	10,295,801	2,361,931	554,208	287,870	8,365,683	430,752	3,512,750	25,808,995	Nil	Nil
Disposal	Nil	Nil	Nil	Nil	Nil	(10,165,634)	Nil	(1,894,100)	(12,059,734)	Nil	Nil
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>At 31.03.2016</b>	<b>425,442,222</b>	<b>281,564,283</b>	<b>6,454,927</b>	<b>261,559,094</b>	<b>4,020,247</b>	<b>1,620,690,756</b>	<b>15,514,921</b>	<b>15,606,784</b>	<b>2,630,853,233</b>	<b>448,141</b>	<b>448,141</b>
Addition	Nil	5,219,912	701,194	7,028,575	251,255	33,035,975	1,679,268	60,431	47,976,610	Nil	Nil
Disposal	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(43,621)	(43,621)	Nil	Nil
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>At 31.03.2017</b>	<b>425,442,222</b>	<b>286,784,195</b>	<b>7,156,121</b>	<b>268,587,669</b>	<b>4,271,502</b>	<b>1,653,726,731</b>	<b>17,194,189</b>	<b>15,623,594</b>	<b>2,678,786,222</b>	<b>448,141</b>	<b>448,141</b>
Depreciation Accumulated	Free Hold Land*	Buildings	Furniture & Fixtures	Electrical Installation	Computer	Plant & Machinery	Equipment	Vehicle	Total of Tangible Assets	Computer Software	Total of Intangible Assets
<b>AT 01.04.2015</b>	<b>Nil</b>	<b>111,420,562</b>	<b>1,564,897</b>	<b>151,046,019</b>	<b>3,475,798</b>	<b>1,393,225,879</b>	<b>14,531,428</b>	<b>6,689,798</b>	<b>1,681,954,382</b>	<b>448,141</b>	<b>448,141</b>
Change for the year	Nil	9,116,146	556,364	7,447,588	199,714	39,162,630	311,820	2,081,897	58,876,160	Nil	Nil
Disposal	Nil	Nil	Nil	Nil	Nil	(9,310,127)	Nil	(1,894,100)	(11,204,227)	Nil	Nil
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>At 31.03.2016</b>	<b>Nil</b>	<b>120,536,709</b>	<b>2,121,262</b>	<b>158,493,607</b>	<b>3,675,512</b>	<b>1,423,078,382</b>	<b>14,843,248</b>	<b>6,877,596</b>	<b>1,729,626,315</b>	<b>448,141</b>	<b>448,141</b>
Change for the year	Nil	9,371,437	760,487	7,560,190	217,853	34,167,495	273,701	1,515,318	53,866,482	Nil	Nil
Disposal	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(27,588)	(27,588)	Nil	Nil
Other Adjustment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>At 31.03.2017</b>	<b>Nil</b>	<b>129,908,146</b>	<b>2,881,749</b>	<b>166,053,797</b>	<b>3,893,365</b>	<b>1,457,245,877</b>	<b>15,116,949</b>	<b>8,365,326</b>	<b>1,783,465,209</b>	<b>448,141</b>	<b>448,141</b>
Net Block carrying value											
<b>AS AT 31.03.2016</b>	<b>425,442,222</b>	<b>161,027,574</b>	<b>4,333,665</b>	<b>103,065,487</b>	<b>344,735</b>	<b>197,612,374</b>	<b>671,673</b>	<b>8,729,188</b>	<b>901,226,921</b>	<b>Nil</b>	<b>Nil</b>
<b>AS AT 31.03.2017</b>	<b>425,442,222</b>	<b>156,876,049</b>	<b>4,274,372</b>	<b>102,533,872</b>	<b>378,137</b>	<b>196,480,853</b>	<b>2,077,240</b>	<b>7,258,268</b>	<b>895,321,014</b>	<b>Nil</b>	<b>Nil</b>

Note 1: On 31/03/2010 Company has revalued its Free Hold Land at ₹42,23,86,556/- as against its original cost of ₹1,14,93,123/- based on the Report issued by the Registered Valuer.

- Based on the internal technique evaluation the management has reassessed the total useful life of assets primary consist of Plant & Machinery and Electrical Installation at 28 years as against 15 years provided by the Schedule II of the Companies Act-2013 and based remaining life of the assets has been determined and depreciation is calculated for the year.

**11 Non current investments [Non-Trade]**

	Non-Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Investment in Equity Shares (Quoted)		
50 (Previous Year 50) Equity Shares of Century Enka Ltd, of ₹10/- each Fully paid-up	1,890	1,890
50 (Previous Year 50) Equity Shares of Garden Silk Mills Ltd, of ₹10/- each Fully paid-up	328	328
	2,218	2,218
<b>Total .....</b>	<b>2,218</b>	<b>2,218</b>
Aggregate Value of Quoted Investment	2,218	2,218
Market Value of Quoted Investment	22,978	11,480

**12 Loans and Advances (Unsecured, Considered Good unless Otherwise Specified)**

	Non-Current		Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Advances For Capital Goods	17,445,207	7,445,207	509,368	Nil
Less: Provision for doubtful Advances	(2,445,207)	(2,445,207)	Nil	Nil
	15,000,000	5,000,000	509,368	Nil
Advances to Suppliers	2,741,971	2,741,971	18,355,180	9,137,933
Less: Provision for doubtful Advances	(2,741,971)	(2,741,971)	Nil	Nil
	Nil	Nil	18,355,180	9,137,933
Advance Tax & TDS	16,608,347	32,773,967	14,669,141	Nil
Less: Provision For Income Tax	(16,285,800)	(26,800,672)	(14,187,050)	Nil
	322,547	5,973,295	482,091	Nil
Advances recoverable in Cash or Kind	251,200	27,586	398,482	506,671
Balance With Government Authorities	Nil	Nil	8,014,846	5,653,946
Loans to Employees	Nil	Nil	43,600	Nil
Prepaid Expense	Nil	Nil	4,317,991	3,432,339
Security Deposites	3,561,969	1,596,968	Nil	Nil
<b>Total .....</b>	<b>19,135,716</b>	<b>12,597,849</b>	<b>32,121,558</b>	<b>18,730,889</b>

**13 Other non-current assets**

	Non-Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Non Current Bank balance (Amount disclosed under Cash & Bank Balance in Note No.16)	Nil	Nil
<b>Total .....</b>	<b>Nil</b>	<b>Nil</b>

**14 Inventories**

	Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
Raw materials	34,957,015	90,302,165
Stores & Spares	31,180,013	22,965,509
Power & Fuel	46,125	459,150
Packing Material	2,030,585	2,062,496
Work In Process	34,631,503	14,782,154
Finished Goods	60,382,109	27,677,279
Goods in Transit	1,245,608	7,286,515
<b>Total .....</b>	<b>164,472,958</b>	<b>165,535,268</b>

**15 Trade receivables**

	Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>Trade Receivables (Unsecured unless Otherwise Specified)</b>		
Outstanding for a period exceeding Six Months from the date they are due for Payment		
Considered Good	4,280,375	Nil
Considered Doubtful	4,331,913	4,345,821
	<b>8,612,288</b>	<b>4,345,821</b>
Less:Provision for doubtful receivable	4,331,913	4,345,821
	<b>4,280,375</b>	<b>Nil</b>
Other Receivables		
Others - Considered Good	430,819,735	356,623,135
Others - Considered Doubtful	Nil	Nil
	<b>430,819,735</b>	<b>356,623,135</b>
Less : Provision for doubtful receivable	Nil	Nil
	<b>430,819,735</b>	<b>356,623,135</b>
<b>Total .....</b>	<b>435,100,110</b>	<b>356,623,135</b>

Note: Trade Receivables are secured to the extent of ₹120,820,000/- (Previous Year ₹121,033,778/-)

**16 Cash & Bank Balance**

	Non-Current		Current	
	As at 31/03/2017 ₹	As at 31/03/2016 ₹	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>Cash and cash equivalents</b>				
Cash on hand	Nil	Nil	238,201	120,590
Balance With Banks	Nil	Nil	1,300,128	1,398,863
	Nil	Nil	1,538,329	1,519,453
The Current Account balance includes ₹ NIL (P.Y. ₹NIL/-) towards unclaimed dividend which have been kept in separate earmarked accounts and no transactions except for the state purpose are done through such account.				
<b>Other Bank balance</b>				
Margin Money Deposits	Nil	Nil	15,532,080	10,708,586
[Amount disclosed under Non Current Assets Note No.13]	Nil	Nil	Nil	Nil
	Nil	Nil	15,532,080	10,708,586
<b>Total .....</b>	<b>Nil</b>	<b>Nil</b>	<b>17,070,409</b>	<b>12,228,039</b>

**17 Revenue from operation**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
<b>Sale of Product</b>		
Finished Goods (Net)	2,481,122,087	2,219,290,465
	<b>2,481,122,087</b>	<b>2,219,290,465</b>
<b>Other Operating Revenue</b>		
Job Charges	627,204	11,809,086
Scrap Sales	6,847,871	7,629,490
Total .....	2,488,597,162	2,238,729,041
<b>Details of products sold</b>		
<b>Finished Goods Sold</b>		
Partially Oriented Polyester Filament Yarn (POY)	1,069,277,562	1,100,018,222
Fully Draw Yarn	1,093,476,148	968,721,639
Paper Tube	95,188,315	Nil
Draw Twisted Yarn (DTY)	36,316,158	26,556,110
Draw Texturised Yarn (DTEX)	23,286,871	24,282,189
Others	3,065,843	5,856,125
	<b>2,320,610,897</b>	<b>2,125,434,285</b>
<b>Traded Goods Sold</b>		
Cloth	98,111,799	85,533,618
Cotton Yarn	35,441,040	Nil
Polyester Chips	26,879,917	8,322,562
Other	78,434	Nil
	<b>160,511,190</b>	<b>93,856,180</b>
<b>Total .....</b>	<b>2,481,122,087</b>	<b>2,219,290,465</b>

**18 Other Income**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Interest Income	4,376,564	3,736,355
Export Incentive	760,203	Nil
Foreign Exchange Gain/(Loss)	1,009,315	Nil
Provision for doubtful debts written back	13,908	Nil
Miscellaneous Income	18,656	6,520
Miscellaneous Balance w/off	18,281	63,015
<b>Total .....</b>	<b>6,196,927</b>	<b>3,805,890</b>

**19 Cost of Raw Material Consumed & Finished Goods Purchased**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Inventory at the beginning of the year	90,302,165	9,599,725
Add: Purchase made during the year	1,462,511,969	1,407,683,709
Less: Inventory at the end of the year	34,957,015	90,302,165
<b>Cost of Raw Material Consumed</b>	<b>1,517,857,119</b>	<b>1,326,981,269</b>
<b>Details of Raw Material Consumed</b>		
Polyester Chips	1,406,990,701	1,292,960,105
Other	110,866,418	34,021,164
	<b>1,517,857,119</b>	<b>1,326,981,269</b>
<b>Details of Inventories</b>		
Polyester Chips	14,833,060	76,123,628
Other	20,123,955	14,178,537
<b>Total .....</b>	<b>34,957,015</b>	<b>90,302,165</b>

**Details of Value of Imported & Indigenous Raw Material Consumed**

Particulars	Raw Materials			
	%		Value (₹)	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
I. Imported	4.56	2.81	69,191,250	37,229,458
II. Indigenous	95.44	97.19	1,448,665,869	1,289,751,811
	<b>100.00</b>	<b>100.00</b>	<b>1,517,857,119</b>	<b>1,326,981,269</b>

**20 Purchase of stock in Trade**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Stock in Trade	156,607,988	82,273,802
	<b>156,607,988</b>	<b>82,273,802</b>
<b>Details of Stock in Trade</b>		
Cloth	97,044,354	74,509,637
Cotton Yarn	35,581,374	Nil
Polyester Chips	23,903,825	7,764,165
Other	78,435	Nil
<b>Total .....</b>	<b>156,607,988</b>	<b>82,273,802</b>

**21 Change In Inventories Of Finished Goods, Work In Progress**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
<b>Inventory at the beginning of the year</b>		
Work-in-Process	14,782,154	22,932,142
Finished Stock	27,677,279	48,047,161
	<b>42,459,433</b>	<b>70,979,303</b>
<b>Inventory at the end of the year</b>		
Work-in-process	34,631,503	14,782,154
Finished Stock	60,382,109	27,677,279
	95,013,612	42,459,433
<b>Decretion / (Accretion) to Stock</b>	<b>(52,554,179)</b>	<b>28,519,870</b>
<b>Details of Inventory</b>		
Finished Goods		
Partially Oriented Polyester Filament Yarn (POY)	33,367,469	19,940,106
Fully Draw Yarn	21,867,824	6,929,885
Others	5,146,816	807,288
	<b>60,382,109</b>	<b>27,677,279</b>

**22 Employee Benefit Expense**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Salary, Wages & Bonus	75,854,766	59,349,836
Contribution to Provident Fund & Other Funds	5,249,332	4,657,395
Welfare Expenses	1,808,087	1,489,254
<b>Total .....</b>	<b>82,912,185</b>	<b>65,496,485</b>

As per revised Accounting Standard 15 "Employees Benefits", the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2016.

**1. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognized in the Balance Sheet as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Present Value of Funded Obligations	6,041,055	4,843,192
Fair value of plan assets	5,806,231	4,427,194
Present value of unfunded obligations	Nil	Nil
Unrecognized past service cost	Nil	Nil
Net liability/(Asset)	234,824	415,997
Amounts in the balance sheet:		
Liabilities	6,041,055	4,843,192
Assets	5,806,231	4,427,194
Net liability/(Asset)	234,824	415,997

**2. Amount of defined benefit obligation in respect of Gratuity liability is recognized in the profit and Loss account as follows:**

Particulars	2016-17	2015-16
	₹	₹
Current service cost	795,846	850,825
Interest on obligation	378,949	333,833
Expected return on plan assets	(326,412)	(334,844)
Net actuarial losses / (gains) recognized in year 2011-2012	69,752	(583,682)
Past service cost	Nil	Nil
Adjustment to opening balance	Nil	Nil
Losses / (Gains) on curtailments and settlement	Nil	Nil
Total included in 'Employee Benefit Expense'	918,135	266,131

**3. Details of changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof in respect of Gratuity are as follows:**

Particulars	2016-17	2015-16
	₹	₹
Opening Defined Benefit Obligation	4,843,192	4,362,287
Service cost	795,846	850,825
Interest cost	378,949	333,833
Actuarial losses (gains)	89,432	(564,790)
Losses (gains) on curtailments	Nil	Nil
Liabilities extinguished on settlements	Nil	Nil
Liabilities assumed in an amalgamation in the nature of Purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(66,364)	(138,963)
Closing defined benefit obligation	6,041,055	4,843,192

**4. Details of changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof in respect of gratuity are as follows:**

Particulars	2016-17	2015-16
	₹	₹
Opening fair value of plan assets	4,427,194	3,486,163
Expenses deducted from fund	-	(72,402)
Expected return	326,412	334,844
Actuarial gain and (loss)	19,680	18,892
Assets distributed on settlements	Nil	Nil
Contributions by employer	1,099,309	798,660
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	(66,364)	(138,963)
Closing fair value of plan assets	5,806,231	4,427,194

**5. Details of the major categories of plan assets as a percentage of total plan assets in respect of Gratuity are as follows:**

Particulars	2016-17	2015-16
	₹	₹
Government of India Securities	Nil	Nil
High quality corporate bonds	Nil	Nil
Equity shares of listed companies	Nil	Nil
Property	Nil	Nil
Policy of insurance	100%	100%
Bank Balance	Nil	Nil

**6. Details of Principal actuarial assumptions at the balance sheet date in respect of Gratuity (expressed as weighted averages):**

Particulars	2016-17	2015-16
Discount rate	7.25%	7.95%
Expected return on plan assets	7.95%	7.95%
Proportion of employees opting for early retirement	Nil	Nil
Annual increase in Salary costs	6.00%	6.00%

**7. Details of Defined benefit pension plans for the current and previous periods are as follows:**

Particulars	31/03/2017 ₹	31/03/2016 ₹	31/03/2015 ₹	31/03/2014 ₹	31/03/2013 ₹
Defined Benefit Obligation	6,041,055	4,843,192	4,362,287	3,851,316	3,468,810
Plan assets	5,806,231	4,427,194	3,486,162	2,876,121	1,802,682
Surplus / (deficit)	(234,824)	(415,997)	(876,124)	(975,195)	(1,666,128)
Experience adjustments on plan liabilities	(396,606)	(489,539)	(654,133)	(68,759)	6,310
Actuarial Loss/ (Gain) due to change in assumption	486,038	(75,251)	551,348	(358,781)	Nil
Experience adjustments on plan assets	(19,680)	(18,892)	24,248	11,185	(14,576)

The expected benefits are based on the same assumptions used to measure Group's gratuity obligations as at 31st March, 2017. The Company is expected to contribute ₹2,35,000/- to gratuity funds for the year ended 31st March, 2018.

**The Disclosure requirement as required by Accounting Standard 15 of " Leave Encashment " is as follows**
**1. Amount of Defined Benefit Obligation in respect of Leave Encashment is recognized in the Balance Sheet as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Present Value of Funded Obligations	Nil	Nil
Fair value of plan assets	Nil	Nil
Present value of unfunded obligations	5,437,532	4,808,426
Unrecognized past service cost	Nil	Nil
Net liability	5,437,532	4,808,426
Amounts in the balance sheet:		
Liabilities	5,437,532	4,808,426
Assets	Nil	Nil
Net liability/(Asset)	5,437,532	4,808,426

**2. Amount of Defined Benefit Obligation in respect of Leave Encashment is recognized in the profit and Loss account as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Current service cost	1,720,655	1,606,080
Interest on obligation	370,758	286,738
Expected return on plan assets	Nil	Nil
Net actuarial losses / (gains) recognized in year	(1,462,307)	(894,162)
Past service cost	Nil	Nil
Losses / (Gains) on curtailments and settlement	Nil	Nil
Total included in 'Employee Benefit Expense'	629,106	998,656
Actual Return on Plan Assets		

**3. Details of changes in the present value of the Defined Benefit Obligation representing reconciliation of opening and closing balances thereof in respect of Leave Encashment are as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Opening Defined Benefit Obligation	4,808,426	3,809,770
Service cost	1,720,655	1,606,080
Interest cost	370,758	286,738
Actuarial losses (gains)	(1,462,307)	(894,162)
Losses (gains) on curtailments	Nil	Nil
Liabilities extinguished on settlements	Nil	Nil
Liabilities assumed in an amalgamation in the nature of Purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	Nil	Nil
Closing defined benefit obligation	5,437,532	4,808,426



**4. Details of changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof in respect of Leave Encashment are as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Opening fair value of plan assets	Nil	Nil
Expected return	Nil	Nil
Actuarial gains and (losses)	Nil	Nil
Assets distributed on settlements	Nil	Nil
Contributions by employer	Nil	Nil
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	Nil	Nil
Closing fair value of plan assets	Nil	Nil

**5. Details of the major categories of plan assets as a percentage of total plan assets in respect of Leave Encashment are as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Government of India Securities	0.00%	0.00%
High quality corporate bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Policy of insurance	0.00%	0.00%
Bank Balance	0.00%	0.00%

**6. Details of Principal actuarial assumptions at the balance sheet date in respect of Leave Encashment (expressed as weighted averages):**

Particulars	2016-17	2015-16
Discount rate	7.25%	7.95%
Expected return on plan assets	N.A	N.A
Proportion of employees opting for early retirement	-	-
Annual increase in Salary costs	6.00%	6.00%
Future changes in maximum state health care benefits Employment Market	-	-

**7. Details of Defined benefit pension plans for the current and previous periods are as follows:**

Particulars	31/03/2017 ₹	31/03/2016 ₹	31/03/2015 ₹	31/03/2014 ₹	31/03/2013 ₹
Defined Benefit Obligation	5,437,532	4,808,426	3,809,770	2,854,612	3,220,687
Plan assets	Nil	Nil	Nil	Nil	Nil
Surplus / (deficit)	(5,437,532)	(4,808,426)	(3,809,770)	(2,854,612)	(3,220,687)
Experience adjustments on plan liabilities	(1,850,640)	(832,697)	(854,047)	(776,354)	(301,198)
Experience adjustments on plan assets	Nil	Nil	Nil	Nil	Nil
Actuarial Loss/ (Gain) due to change in assumption	388,333	(61,465)	230,248	(627,905)	84,032
Actuarial Loss/ (Gain) due to participant experience	(1,850,640)	(832,697)	(854,047)	(776,354)	(301,198)
Actuarial Loss/ (Gain) on Liabilities	(1,462,307)	(894,162)	(623,799)	(1,404,260)	(217,166)
Net Actuarial Loss/ (Gain) for the year	(1,462,307)	(894,162)	(623,799)	(1,404,260)	(217,166)

**8. Details of Movement in Net Liability recognized in balance sheet date in respect of Leave Encashment are as follows:**

Particulars	2016-17 ₹	2015-16 ₹
Net Opening Liability	4,808,426	3,809,770
P&L Change	629,106	998,656
Contribution Paid	Nil	Nil
Benefits Paid by the Company	Nil	Nil
Closing Net Liability	5,437,532	4,808,426

**23 Finance Costs**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Interest to Bank	14,273,425	27,740,102
Other Interest	1,535,022	1,875,721
Other Borrowing Cost	8,435,502	8,028,028
<b>Total .....</b>	<b>24,243,949</b>	<b>37,643,850</b>

**24 Depreciation And Amortisation Expense**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Depreciation of Property, Plant and Equipments	53,866,482	58,876,160
<b>Total .....</b>	<b>53,866,482</b>	<b>58,876,160</b>

**25 Other Expense**

	For the year ended 31/03/2017 ₹	For the year ended 31/03/2016 ₹
Stores & Spares consumed	33,300,571	28,712,835
Packing material consumed	78,668,044	70,333,662
Electricity & Fuel charges	185,430,586	172,310,302
<b>Repairs To:</b>		
Building	1,537,463	1,022,282
Machinery	6,228,550	3,216,117
Other	2,823,062	2,086,168
<b>Sub Total .....</b>	<b>10,589,076</b>	<b>6,324,567</b>
Insurance Expense	2,106,169	1,438,338
Rent	160,000	266,000
Rates & Taxes	6,307,432	4,891,003
Stationery & Printing Expense	617,884	567,570
Selling & Distribution Expenses	12,164,895	10,016,541
Advertisement Expenses	320,744	75,404
Communication Expense	458,023	414,927
Traveling & Conveyance Expense	3,477,940	3,798,570
Legal & Professional Expenses	6,845,005	2,405,829
Freight & Delivery charges	16,505,533	10,597,412
Increase/(decrease) of excise duty on Inventory	3,427,484	(2,219,371)
<b>Auditor's Remuneration:</b>		
Audit Fees	350,000	350,000
In other capacity	50,000	50,000
For Tax Audit	50,000	50,000
<b>Sub Total .....</b>	<b>450,000</b>	<b>450,000</b>
Commission paid	4,202,212	3,608,167
Donation Expense	2,505,000	3,600,000
Loss/(Gain) on Sales of Fixed Assets (Net)	1,033	(246,578)
General Charges (including Factory Exps, Laboratory Expense, Office & Misc. Expenses Admn. Charges, Service and Custodial Charges etc.)	13,934,219	10,182,034
<b>Total .....</b>	<b>381,471,849</b>	<b>327,527,212</b>

**Details of Value of Imported & Indigenous Stores, Components & Spare parts consumed**

Particulars	Stores, Components & Spare parts			
	%		Value (₹)	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
I. Imported	17.37	20.83	5,784,480	5,979,713
II. Indigenous	82.63	79.17	27,516,091	22,733,122
	100.00	100.00	33,300,571	28,712,835

**26 CONTINGENT LIABILITIES:**

Sr. No.	Particulars	2016-17 ₹	2015-16 ₹
a)	Letters of Credit Outstanding	1,005,629	19,342,438
b)	Income Tax demands disputed in appeal by the Company/ Income Tax Authorities (Against which the Company has paid amount of ₹1,23,979/- (PY. ₹1,23,979/-)	59,169,049	43,182,290
c)	Excise Duty demands disputed in appeal by the Company/ Excise Authorities (Against which the Company has paid amount of ₹501,472/- (PY. ₹ 501,472/-)	209,222,227	209,222,227
d)	Textile Cess Demands disputed pending with Textiles Committee, Government of India, Ministry of Textiles.	5,090,119	5,090,119
e)	Service Tax demand disputed in appeal by the Company/Authority (Against which the Company has paid amount of ₹ Nil (PY. ₹ Nil)	4,881,130	4,881,130
f)	Claims not acknowledged as debts by the company	112,500	112,500
g)	Show Cause Notices received from various authorities	1,189,019	1,189,019
h)	Gujarat Pollution Control Act	5,164,620	Nil
i)	Employees Demands pending before Labour Courts	Amount not ascertainable	Amount not ascertainable
j)	In respect of restructured debts under CDR Mechanism, the banks will have right to recompense in respect of waivers / sacrifice made by them under CDR Restructuring	Amount not ascertainable	Amount not ascertainable

**27 Particulars of Prior Period expense debited to respective head of expenditure:-**

(Amount in ₹)

Particulars	31-03-2017	31-03-2016
(i) Employee Benefit	Nil	9,483
(ii) Finance Cost	Nil	321,436
(iii) Other Expense	212,258	68,697
<b>Total . . .</b>	<b>212,258</b>	<b>399,616</b>

**28** Based on the principles for determination of segments given in Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India and in the opinion of management the Company is primarily engaged in the business of manufacturing of Yarn. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

The company has identified geographical segment as its secondary business segment, the details are as follows:

Secondary Segment Information for the period ended 31st March, 2017

(Amount in ₹)

Sr. No.	Particulars	India	Rest of World	Total
1	Segment Revenues	2,212,370,336 (2,006,400,303)	21,616,923 (Nil)	2,233,987,259 (2,006,400,303)
2	Segment Assets	1,611,319,738 (1,515,104,912)	64,839 (Nil)	1,611,384,577 (1,515,104,912)
3	Capital Expenditure during the period	47,976,610 (25,808,995)	Nil (Nil)	47,976,610 (25,808,995)

**29 Earning Per Share**

(Amount in ₹)

Particulars	31-03-2017	31-03-2016
Numerator used for calculating Basic and Diluted Earning Per Share (Profit After Tax)	50,035,921	54,762,496
Nominal Value per Share	10	10
Adjusting Right Factor	1.41	1.41
No. of Shares outstanding as on Balance Sheet date	2,71,00,000	1,35,50,000
Weighted Average No. of Shares used as denominator for calculating Basic and Diluted Earning Per Share	2,16,24,031	1,91,05,086
Basic and Diluted earning per share	2.31	2.87

**30 Related Party Disclosures**
**a) Key Management Personnel**

Sr. No.	Name	Designation
1	Shri Jyotiprasad Chiripal	Chairman
2	Shri Vedprakash Chiripal (Resigned with effect from 17/02/2017)	Director
3	Shri Pooran Singh Mathuria	Whole Time Director
4	Shri Pradip Khandelwal	Chief Executive Officer
5	Shri Satish Bhatt	Chief Financial Officer

**b) List of Related Parties with whom transactions have taken place during the year**

Sr. No.	Name
1	Chiripal Industries Ltd.
2	Chiripal PolyFilms Ltd.
3	Vishal Fabrics Ltd.
4	Milestone Educom Trust

c) Details of Transactions with Key Management Personnel and Related Parties of the Key Management Personnel are as follows:

(Amount in ₹)

Sr. No.	Nature of Transaction	Key Management Personnel	Related Parties	Total
1	<b>Unsecured Loans</b>			
	Taken During the year	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Repaid During the year	Nil (Nil)	Nil (10,00,000)	Nil (10,00,000)
	Balance as at Balance Sheet Date	Nil (Nil)	Nil (Nil)	Nil (Nil)
2	<b>Expenditure</b>			
	Donation Expense	Nil (Nil)	2,500,000 (3,600,000)	2,500,000 (3,600,000)
	Purchase of Goods, Packing Material & Stores	Nil (Nil)	203,020,415 (10,05,08,637)	203,020,415 (10,05,08,637)
	Job work Charges	Nil (Nil)	Nil (Nil)	Nil (Nil)
	Interest Expenditure	Nil (Nil)	142,566 (334,812)	142,566 (334,812)
	Purchase of Fix Asset	Nil (Nil)	14,79,206 (18,15,029)	14,79,206 (18,15,029)
	Rent Expense	Nil (Nil)	Nil (150,000)	Nil (150,000)
	3	<b>Income Received</b>		
Job work Income		Nil (Nil)	627,204 (1,18,09,086)	627,204 (1,18,09,086)
Interest Income		Nil (Nil)	Nil (Nil)	Nil (Nil)
4	<b>Stock in trade</b>			
	Sale of Goods	Nil (Nil)	2,109,220 (6,148,133)	2,109,220 (6,148,133)
	Sale of Capital Assets	Nil (Nil)	Nil (1,267,264)	Nil (1,267,264)
	Balance as at Balance Sheet Date	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	<b>Remuneration Paid</b>	5,208,253 (3,384,621)	Nil (Nil)	5,208,253 (3,384,621)

Note : List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceed the 10% of the total related Party transactions of similar nature are as under :

(Amount in ₹)

	2016-17	2015-16
<b>1. Unsecured Loan</b>		
<b>Repaid during the Year:-</b>		
- NPL Power Pvt. Ltd.	Nil	(1,000,000)
<b>2. Expenditure :-</b>		
<b>Donation Expense:-</b>		
- Milestone Educom Trust	2,500,000	(3,600,000)

	2016-17	2015-16
<b>Purchase of Goods, Packing Material and Stores :-</b>		
- Chiripal Industries Ltd	55,031,000	(9,687,096)
- Vishal Fabrics Ltd.	63,220,646	(90,690,663)
- Chiripal Poly Films Ltd	84,768,769	(Nil)
<b>Interest Expense:-</b>		
- Vishal Fabrics Ltd.	142,566	(334,812)
<b>Purchase of Fix Asset:-</b>		
- Chiripal Industries Ltd	1,479,206	(1,815,029)
<b>Rent Expense:-</b>		
- Urmilaben Chiripal	Nil	(150,000)
<b>3. Income Received :-</b>		
<b>Job work Income:</b>		
- Chiripal Industries Ltd.	627,204	(11,809,086)
<b>4. Stock in trade :-</b>		
<b>Sale of Goods</b>		
- Chiripal Industries Ltd.	1,937,419	(6,115,090)
Sale of Capital Goods		
- Vishal Fabrics Ltd.	Nil	(1,267,264)
<b>5. Remuneration Paid :-</b>		
- Pradip Khandelwal	2,971,326	(2,597,507)
- Satish Bhatt	910,108	(722,275)
- Pooransingh Mathuria	1,326,799	(64,839)

### 31 Impairment of Asset

During the year, the company has impaired it's all assets to the tune of ₹ Nil (Previous Year ₹Nil)

**32** Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to ₹ Nil (Previous Year ₹ Nil) is capitalized by the company

### 33 The amount of Exchange Difference

Credited to Profit and Loss Account ₹1,009,315/- (Previous Year Debited to Profit and Loss Account ₹386,020/-)

### 34 Details in respect of application of fund raised through right issue

(Amount in ₹)

Particulars	2016-2017	2015-2016
Opening Balance	Nil	Nil
Fund Raised during the year	19,64,75,000/-	Nil
Fund Utilized		
For working capital requirement	19,30,00,000/-	Nil
For Issue Expense	34,75,000/-	Nil
Closing Balance as on 31/03/2017	Nil	Nil

35 Disclosure of details in respect of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as required by Notification No. GSR 308(E) [F.NO.17/62/2015-CL-V-(VOL.I)], DATED 30-3-2017 are provided in the Table below:—

(Amount in ₹)

Sr. No.	Particulars	SBNs	Other denomination notes	Total
1.	Closing cash in hand as on 8-11-2016	Nil	140,828	140,828
2.	(+) Permitted receipts	Nil	110,541	110,541
3.	(+) Amount Withdrawal from Banks	Nil	568,000	568,000
4.	(-) Permitted payments	Nil	635,925	635,925
5.	(-) Amount deposited in Banks	Nil	Nil	Nil
6.	Closing cash in hand as on 30-12-2016	Nil	183,444	183,444

36 C.I.F. Value of Imports includes:-

(Amount in ₹)

Sr. No.	Particulars	2016-17	2015-16
1	Raw Materials	66,718,445	39,074,520
2	Stores and Spares	10,481,585	5,979,713
3	Capital Goods	Nil	3,967,476

37 Expenditure in Foreign Exchange

(Amount in ₹)

Sr. No.	Particulars	2016-17	2015-16
1	Interest Expense	49,151	Nil
2	Commission Expense	4,17,849	Nil

38 Earning in Foreign Exchange :

(Amount in ₹)

Sr. No.	Particulars	2016-17	2015-16
1	FOB Value of Exports	21,535,556	Nil

39 The figures of the previous year have been regrouped and rearranged wherever considered necessary.

Note: Previous year's figures have been shown in brackets.

Signature to Notes "1" to "39"

As per our report of even date attached herewith

**For, J.T.Shah & Co.**

Chartered Accountants  
[FRN No. 109616W]

**Sd/-**

**[J. T. Shah]**

Partner

[M. No. 3983]

Place : Ahmedabad

DATE : 30/05/2017

**For, CIL NOVA PETROCHEMICALS LTD.**

**Sd/-**

**Jyotiprasad Chiripal**

Chairman

(DIN : 00155695)

**Sd/-**

**Satish Bhatt**

CFO

Place : Ahmedabad

Date : 30/05/2017

**Sd/-**

**Pooransingh Mathuria**

Whole-time Director

(DIN : 7430356)

**Sd/-**

**Chintan Amlani**

Company Secretary

**CIL NOVA PETROCHEMICALS LIMITED**

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

CIN: L17111GJ2003PLC043354

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

Email: investorgrievances.cilnova@chiripalgroup.com, website: www.cnpl.com

**PROXY FORM**

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Saturday, 23<sup>rd</sup> September, 2017 at 3:00 P.M. at registered office of the Company at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

**CIL NOVA PETROCHEMICALS LIMITED**

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

CIN: L17111GJ2003PLC043354

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

Email: investorgrievances.cilnova@chiripalgroup.com, website: www.cnpl.com

**ATTENDANCE SLIP**

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

- I hereby record my presence at the 13<sup>th</sup> Annual General Meeting of the Company being held on Saturday, 23<sup>rd</sup> September, 2017 at 3:00 P.M. at Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201.
- Signature of the Shareholder/Proxy
- Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
- Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.



Sr. No.	Resolution
<b>Ordinary Business</b>	
1.	To receive, consider & adopt Audited Financial Statements of the Company for financial year ended 31 <sup>st</sup> March, 2017, the Reports of Board of Directors & Auditors
2.	To re-appoint Mr. Pooransingh Mathuria (DIN: 07430356) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3.	To appoint M/s. Samir M. Shah & Associates, Chartered Accountants, (FRN: 122377W) as Statutory Auditors and Authorize Board to fix its remuneration.
<b>Special Business</b>	
4.	To Consider and ratify remuneration of Cost Auditor for Financial Year 2017-2018
5.	To Consider and approve material related party transactions – Ordinary Resolution.

Signed on \_\_\_\_\_ Day of \_\_\_\_\_ 2017.

Affix Re.1 Revenue Stamp
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\_\_\_\_\_  
**Signature of Proxy Holder**

\_\_\_\_\_  
**Signature of Member**

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

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**EVOTING PARTICULARS**

E Voting Event Number (EVEN)	User ID	Password

**Note:** Please read the instructions provided in Notice dated 12<sup>th</sup> August, 2017 of the 13<sup>th</sup> Annual General Meeting. The Voting period starts from 9.00 a.m. on Wednesday, 20<sup>th</sup> September, 2017 and ends at 5.00 p.m. on Friday, 22<sup>nd</sup> September, 2017. The voting module shall be disabled by CDSL for voting thereafter.



To,

If undelivered please return to :

**CIL NOVA PETROCHEMICALS LIMITED**

(Formerly Known as NOVA POLYARN LIMITED)

**(CIN: L17111GJ2003PLC043354)**

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

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

Email : [investorgrievances.cilnova@chiripalgroup.com](mailto:investorgrievances.cilnova@chiripalgroup.com)

Website: [www.cnpcl.com](http://www.cnpcl.com)