

COMSYN

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

COMSYN/BSE/2018-19

Online Filing at: listing.bseindia.com

Date: 8 SEP 2018

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

BSE Scrip ID: COMSYN BSE Scrip Code: 539986

Sub: Compliance of Regulation 34-For submission of the approved and adopted copy of the 34th Annual Report for the year 2017-18.

Dear Sir/Madam,

In compliance with the requirement of Regulation 34 of the SEBI (LODR) Regulations, 2015, we hereby submit a certified copy of the 34th Annual Report of company containing the Audited Financial Statements for the year ended 31st March, 2018 and Report of the Board and Auditors thereon duly approved and adopted by the members of the Company at their 34th Annual General Meeting held on Friday, 7th September, 2018.

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

Thanking You,
Yours Faithfully,
For, COMMERCIAL SYN BAGS LTD.


CS MEGHA PARMAR
COMPANY SECRETARY &
COMPLIANCE OFFICER
Encl.: a/a



Commercial Syn Bags Limited

Formerly known as (Commercial Synbags Ltd.)

CIN : L25202MP1984PLC002669

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

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

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

"APPROVED AND ADOPTED"
"CERTIFIED TRUE COPY"

FOR, COMMERCIAL SYN BAGS LTD.

Anil Choudhary

ANIL CHOUDHARY
CHAIRMAN & MANAGING DIRECTOR
DIN: 00017913



34th ANNUAL REPORT — 2017-18 —



COMSYN

COMMERCIAL SYN BAGS LIMITED

"Weaving strength thread by thread for a better world"

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



◀ CHAIRMAN'S MESSAGE

Dear Shareholders,

It is my privilege to present the 34th Annual Report of your Company for the financial year ended 31st March, 2018. The Financial Year 2017-18 was backed by various economic reforms. As per Economic Survey released by the Govt., a series of major reforms undertaken over the past year allowed real GDP growth to reach 6.7% this fiscal and will rise to 7.0 to 7.5 percent in 2018-19, thereby re-instating India as the world's fastest growing major economy and moved it to the world's Top 100 countries in terms of ease of doing business.

Your company recorded a stellar performance for this financial year with the growth in revenues and profits. For Financial Year 2017-18 total revenue has grown to ₹16156.62 Lakhs from ₹ 12098.16 Lakhs in previous year, registering growth of 33.55%. Profit before tax also recorded growth to ₹ 898.20 Lakhs from ₹ 758.84 Lakhs in previous year, an increase of 18.36% and net profit after tax stood at ₹ 615.93 Lakhs as compared to ₹ 531.70 Lakhs, in previous year, growth of 15.84%. The export sales continue to contribute more than 75% of total sales from manufacturing segment and company's customer base is spread in all the continents except Antarctica.

Further I am pleased to inform that commercial production at company's SEZ Unit has been successfully commenced w.e.f. 22nd April, 2018 after completion of expansion activities and capacity addition of 3900 MT p.a. by setting up of complete manufacturing facilities and installation of Tape Line and Looms with clean room facilities for manufacturing of Food Grade FIBC Bags. The total production capacity (all units) of the company has been increased from 13100 MT p.a. to 17000 MT p.a. Thus, your company has adequate production capacity to meet the increased demand of the customers.

Further, I am happy to share that the company has been appointed as Project Implementing Agency (PIA)/Training Partner and assigned the work of execution and implementation of the skill development programme under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), a skill development and placement initiative of the Ministry of Rural Development (MoRD), Government of India. It is a part of the National Rural Livelihood Mission (NRLM) - tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth. Total 1540 candidates belonging to rural areas of various districts of Uttar Pradesh will be covered under this project and will be provided industrial and job oriented training by the company at training centre established for the purpose at Nawabganj, District Gonda (UP). As your company works in a labour oriented industry, this move will help the company to get better trained work force for its operations.

Your company always focuses on operational efficiency and reduction in cost for which it has also taken some initiatives in previous years. During the year under review 14.33 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at company's manufacturing units at Pithampur. Further that during the year under review your Company has achieved turnover of 11,989 MT under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

Having more than 3 decades of industry expertise and sector knowledge your company has wide range of products in its basket which caters to customers across the globe. At your company Research & Development is an on-going process, which allows us to understand and respond to market and customer needs. We strive to develop new product lines and distribution channels to expand company's global as well as local market. Your company endeavor to maintain state of art infrastructure which consists of machineries from the best suppliers in Industry. There is continuous change in the technology that takes place and our team strives to keep itself updated with technological advancements. Company's fully integrated food grade manufacturing facility for FIBC is one of the best in India.

The way ahead is filled with numerous opportunities. We are committed to exceptional standards of productivity, corporate governance, willingness to embrace new ideas and learn continuously. Your company's global scale of operations, quality and wide range of products, building trusted relationships with customers, adequate production capacity, diversified manufacturing facilities and various strategic initiatives will surely help us to achieve excellent performance and sustainable growth in years ahead.

At the end, I would like to thank entire team of the COMSYN for an outstanding year which is reflective of their hard work, dedication and commitment to success.

I would like to place on record my sincere appreciation to the Board of directors for their guidance. I would also like to place on record my heartfelt thanks to all the customers, business associates, suppliers, bankers and authorities of the BSE, SEBI, NSDL, CDSL and RTA for their support. Lastly, I would like to extend my gratitude towards all our Shareholders for their continuing faith and confidence in the management of the Company; we aim to earn your trust every day and will work towards achieving the greater heights of success in coming years.

*With best wishes,
Sincerely,*

Anil Choudhary
Chairman & Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | | |
|---------------------------------|---|--|
| 1. Mr. Anil Choudhary | : | Chairman & Managing Director |
| 2. Mrs. Ranjana Choudhary | : | Whole-time Director |
| 3. Mr. Virendra Singh Pamecha | : | Whole-time Director |
| 4. Mr. Hitesh Mehta | : | Independent Director |
| 5. Mr. Milind Mahajan | : | Independent Director (w.e.f. 10th May, 2017) |
| 6. Mr. Chintan Pushpraj Singhvi | : | Independent Director |

AUDIT COMMITTEE

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

CSR COMMITTEE

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

CHIEF EXECUTIVE OFFICER

Mr. Ravindra Choudhary

COMPANY SECRETARY

& COMPLIANCE OFFICER

CS Megha Parmar

CHIEF FINANCIAL OFFICER

Mr. Abhishek Jain

CHIEF OPERATING OFFICER

Mr. Pramal Choudhary

NAME OF THE STOCK EXCHANGE

(Where the Company's Shares Listed)

BSE LIMITED – SME PLATFORM

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001 (M.H.)
Scrip Id: COMSYN
Scrip Code: 539986

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT:

Bigshare Services Private Limited

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

STATUTORY AUDITORS

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

SECRETARIAL AUDITORS

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

INTERNAL AUDITORS

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

BANKERS

Bank of India

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

Bank of Baroda

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

HDFC Bank Limited

25, M.G. Road,
Brahma Samaj Bhawan,
Opposite District Court, Siyaganj,
Indore-452007 (M.P.)

WORKS:

Unit I: Plot No.S-4/1, S-4/2, S-4/3, S-4/3A
Sector 1, Pithampur - 454 774 (M.P.)

Unit II: Plot No. S-2/1, S-3/1, Sector-1,
Pithampur - 454 774 (M.P.)

Unit III: Plot No. 309, Sector-1,
Pithampur - 454 774 (M.P.)

Unit SEZ: Indore Special Economic Zone
Plot No. 15 to 18, Phase-1, Sector-III,
Pithampur - 454 774 (M.P.)

SOLAR POWER DIVISION:

PH No. 36, Village Galihara, Tehsil,
Sitamau. District Mandsaur (M.P.)

TRADING DIVISION WAREHOUSE:

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

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NOTICE

Notice is hereby given that 34th Annual General Meeting of the members of COMMERCIAL SYN BAGS LIMITED will be held on Friday, 7th day of September, 2018 at 12:15 P.M. at Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore 452 008 (M.P.) to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider, approve and adopt the Financial Statements of the Company including the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss and Cash Flow for the year ended 31st March, 2018 and the Report of the Board and Auditors thereon.
2. To appoint a director in place of Mr. Virendra Singh Pamecha (DIN: 07456367), who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act 2013 and rules made thereunder, pursuant to recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the 30th Annual General Meeting held on 30th September, 2014, the appointment of M/s Gupta & Ashok, Chartered Accountants (ICAI Firm Registration No. 02254C), as the Auditors of the Company to hold office till the conclusion of 35th Annual General Meeting of the Company to be held in the year 2019 be and is hereby ratified for the year 2018-19 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2019 as may be approved by the Audit Committee and the Board of directors in consultation with the Auditors.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and upon recommendation of Nomination & Remuneration Committee the consent of the members be and is hereby accorded for increase in remuneration of Shri Virendra Singh Pamecha, Whole-time Director of the Company upto Rs. 1,75,000/- (Rs. One Lakh Seventy Five Thousand only) per month with effect from 2nd August, 2018 till the remaining part of his tenure i.e. till 25th March, 2021, however, other terms & condition of appointment shall remain same.

RESOLVED FURTHER THAT in addition of his aforesaid remuneration Shri Virendra Singh Pamecha, Whole-time Director shall also be entitled for the following benefits which shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

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

FACILITIES TO PERFORM THE COMPANIES WORK:

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

RESOLVED FURTHER THAT in the event of there being any loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Shri Virendra Singh Pamecha shall be minimum remuneration payable by the Company as per the requirement of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Virendra Singh Pamecha Whole-time Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform his duties as per rules of the Company.

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

Date: 2nd August, 2018

Place: Indore

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

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

By Orders of the Board of Directors

Megha Parmar
Company Secretary &
Compliance Officer
ACS 37111

NOTES:

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

The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time fixed for the Meeting. A Proxy form is sent herewith.
3. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
4. The company has notified closure of Register of Members and Share Transfer Books from 1st September, 2018, Saturday to 7th September, 2018, Friday(both days inclusive) for the purpose of 34th Annual General Meeting.
5. The Management Discussion and Analysis Report also forms part of this Annual Report.
6. Members seeking any information are requested to write to the Company by email at investors@comsyn.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
7. Members are requested to immediately notify any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra having email Id investor@bigshareonline.com to receive the soft copy of the annual report and all other communication and notice of the meetings etc., of the Company.
8. Electronic copy of the Annual report for the year 2017-18 is being sent to the members whose email IDs are registered with the Share Transfer Agent of the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.
9. Members may also note that the Annual Report for the year 2017-18 is also available on Company's website www.comsyn.com.
10. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to section 113 of Companies Act, 2013 are requested to send a duly certified copy of the relevant Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M. up to the date of the Annual General Meeting.
12. Members/proxies/ authorized representatives are requested to bring the duly filled and signed attendance slip attached with this report and copy of Annual Report with them to attend the Meeting.
13. The Register of Directors, Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
14. The Register of Contracts or Arrangements, in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 and will be available for inspection by the members at the Annual General Meeting.
15. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as the transferor(s) shall furnish a copy their PAN to the Share Transfer Agent for registration of transfer of securities.
16. Members may also note that the Notice of 34th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2017-18 are also available on the website of Company www.comsyn.com for their download.
17. The Brief profile of the director seeking re-appointment at the ensuing annual general meeting is annexed herewith the Notice.
18. The Route Map of the venue of AGM is given at the last page of Annual Report.

19. Voting through electronic means

- I. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (I) Ltd. (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting and who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at the AGM.

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

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 4th September, 2018, Tuesday (9.00 A.M. IST) and ends on 6th September, 2018, Thursday (5.00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 31st August, 2018, Friday may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for COMMERCIAL SYN BAGS LTD.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

Item No. 4

Shri Virendra Singh Pamecha (DIN: 07456367), was appointed as Whole-Time Director of the Company w.e.f. 26th March, 2016 for a term of 5 Years upto 25th March, 2021 at monthly remuneration of Rs. 1,00,000 /- (Rs. One Lakh per month) and other benefits. He is entrusted with ultimate control over the affairs of the Company's factory at Pithampur and also has responsibility as "Occupier" under the Factories Act, 1948. He has varied experience of around 28 years in excise, customs, production, labor and related activities at plant level. The company has grown and progressed under his guidance. In view of this, Nomination & Remuneration Committee at its meeting held on 2nd August, 2018 examined the existing remuneration being paid to him in comparison to other senior managerial personnel and it is desirable to increase his remuneration suitably and pursuant to provisions of the Schedule V and section 196, and 197 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, recommended revision in remuneration of Shri Virendra Singh Pamecha for payment upto Rs. 1,75,000/- (Rs. One Lakh Seventy Five Thousand only) per month which was approved by the Board of Directors at their Meeting held on 2nd August, 2018 subject to further approval of Members at 34th Annual General Meeting.

Your Board of Directors therefore, recommends the Special Resolution as set out in Item No. 4 of this notice for approval of the Members. Mr. Virendra Singh Pamecha, Whole Time Director may be considered as financially interested to the extent of remuneration as may be drawn by him. Except that none of the Directors, Key Managerial Personnel or their relatives or any of other officials of the Company are concerned or interested in the resolution in any manner.

The Information as required under section II, Part II of the Schedule V is being given as under:

I. General Information:

(1)	Nature of industry	The company is a manufacturer & exporter of FIBC, Bulk Bags, BOPP, Tarpaulin, woven sacks/bags, flexible packaging etc and the company is also having solar power generating system which is being used for captive consumption. The company is also having business activities as DCA cum CS of OPaL for trading of granules.
(2)	Date or expected date of commencement of commercial production	N.A., already existing in business
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A., already existing in business
(4)	Financial performance based on given indicators	The Company has achieved total revenue (revenue from operations and other income) of Rs. 16156.62 Lakhs for the year ended 31st March, 2018 and earned profits before Tax Rs. 898.20 Lakhs. Profit after tax for the year was Rs. 615.93 Lakhs
(5)	Foreign investments or collaborations, if any.	84,000 equity shares are held by the NRIs, constituting 0.7% of the total paid up share capital of the company.

II. Information about the appointee:

(1)	Background details	Shri Virendra Singh Pamecha is having more than 28 years in excise, customs, production, labour and related activities at plant level and working experience in Manufacturing Industries. He acts as occupier and is entrusted with control of affairs of the Company's factories situated at Pithampur (M.P.).
(2)	Past remuneration	The total Remuneration for the year 2017-18 was Rs. 9.65 Lakhs
(3)	Recognition or awards	Nil
(4)	Job profile and his suitability	Shri Virendra Singh Pamecha, Whole Time Director is having ultimate control over the affairs of the Company's factory at Pithampur and he is also appointed as "Occupier" under the Factories Act, 1948 subject to superintendence and control of the Managing Director and Board of directors.
(5)	Remuneration proposed	Rs. 21.00 Lakh+ perks as may be admissible.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Nil

III. Other information:

(1)	Reasons of loss or inadequate profits	There is no loss however, there may be inadequate profits due to adverse market position and matter of demand and supply or due to change in government policy, and then the profits may be inadequate in a particular period.
(2)	Steps taken or proposed to be taken for improvement	The Company is continuing efforts to introduce higher value products and broaden its operating base.
(3)	Expected increase in productivity and profits in measurable terms	The Company expects to increase its turnover and profits by about 8-10% every year.

Date: 2nd August, 2018

Place: Indore

Commercial Syn Bags Limited
 CIN: L25202MP1984PLC002669
 Regd. Office: Commercial House,
 3-4, Jaora Compound, M.Y.H. Road,
 Indore-452001 (MP)

By Orders of the Board of Directors

Megha Parmar
Company Secretary &
Compliance Officer
 ACS 37111

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

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

Name of Directors	Mr.Virendra Singh Pamecha
Designation	Whole Time Director
Director Identification Number (DIN)	07456367
Date of Birth	01/07/1969
Date of Appointment (previous)	Appointed as Whole Time Director w.e.f. 26th March 2016 for a period of 5 years subject to liable to retire by rotation.
Expertise/Experience in specific functional areas	Having more than 28 years of working experience in Manufacturing Industries; he acts as occupier and is entrusted with control of affairs of the Company's factories situated at Pithampur (M.P.).
Qualification	B.Com
No. & % of Equity Shares held	Nil
List of outside Company's directorship held	Nil
Chairman / Member of the Committees of the Board of Directors of Commercial Syn Bags Limited	Nil
Chairman / Member of the Committees of the Board, Directors of other Companies in which he is director	Nil
Disclosures of relationships between directors inter-se.	Nil
Brief Resume : Mr.Virendra Singh Pamecha , aged 49 years is the Whole-time Director of the Company. He is associated with company since more than 8 years and appointed as Whole Time Director w.e.f. 26th March, 2016. He has an experience of more than 28 years in manufacturing industry. He acts as occupier and is entrusted with control of affairs of the Company's factories situated at Pithampur (M.P.).	

Date: 2nd August, 2018

Place: Indore

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

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

By Orders of the Board of Directors

Megha Parmar
Company Secretary &
Compliance Officer
ACS 37111

BOARDS' REPORT

To,
 The Members
Commercial Syn Bags Limited

The Directors take pleasure in presenting the 34th Annual Report together with the audited financial statements for the year ended 31st March, 2018.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

- Total revenue for the year was ₹ 16156.62 Lakhs as compared to ₹ 12098.16 Lakhs increased by 33.55%
- Net Revenue from operations for the year was ₹ 16097.25 Lakhs as compared to ₹ 11901.47 Lakhs in the previous year, increased by 35.25%
- Profit before tax for the year was ₹ 898.20 Lakhs as compared to ₹ 758.84 Lakhs in the previous year, increased by 18.36%
- Profit after tax for the year was ₹ 615.93 Lakhs as compared to ₹ 531.70 Lakhs in previous year in the previous year, increased by 15.84%

SUMMARISED PROFIT AND LOSS ACCOUNT

(₹ in Lakhs)

Particulars	Year ended	
	31.03.2018	31.03.2017
Total Revenue (Revenue from operations and other income)	16156.62	12098.16
Profit Before Tax (PBT)	898.20	758.84
Provision for Tax	(282.27)	(227.14)
Profit After Tax (PAT)	615.93	531.70
Balance brought forward from previous year	2423.88	1892.20
Less: Prior Period Taxations	0.00	(0.02)
Surplus carried to the next year's account	3039.81	2423.88
Earning per share (Basic and Diluted) (Amount in Rs.)	5.21	4.87

STATE OF THE COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

The Company is carrying business of manufacturer, producers, processors, importers, exporters, buyers and sellers of FIBC, BOPP, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. from its Plants located at Pithampur, District-Dhar, (M.P) and the company is also having a solar power generating system installed in Sitamau, District-Mandsaur (M.P) and the power generated is being used as captive consumption at its manufacturing units, hence no revenue is being generated from this segment. The Company has also started business activities relating to trading of granules as DCA cum Consignment Stockiest of OPaL and has identified it as a separate business segment.

Except that during the year under review, there has been no change in the nature of the business activities of the Company.

UPDATES ON ONGOING PROJECTS:

1. Commencement of commercial production at company's SEZ Unit situated at Pithampur (MP):

Commercial production at Company's SEZ Unit situated at Indore Special Economic Zone, Plot No. 15 to 18, Phase-1, Sector-III, Pithampur (MP); has been successfully commenced w.e.f. 22nd April, 2018 with revised estimated total cost of Rs.3,460 Lakhs and the company has expanded operations at its existing Unit SEZ situated at Pithampur (MP); through capacity addition of 3,900 MT p.a. and setting up of complete manufacturing facilities by installation of Tape Line and Looms with clean room facilities for manufacturing of Food Grade FIBC Bags. The total production capacity (all units) of the company has been increased from 13,100 MT p.a. to 17,000 MT p.a.

2. Appointment as Training Partner/PIA under DDU-GKY for Skill Development, Training and Placement Programme of MoRD (Govt. of India):

Company has been appointed as Project Implementing Agency (PIA)/Training Partner and assigned the work of execution and implementation of the skill development programme under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), a skill development and placement initiative of the Ministry of Rural Development (MoRD), Government of India. It is a part of the National Rural Livelihood Mission (NRLM) - tasked with the dual objectives of adding diversity to the incomes of rural poor families and caters to the career aspirations of rural youth. Total 1,540 candidates belonging to rural areas of various districts of Uttar Pradesh will be covered

under this project and will be provided industrial and job oriented training by the company at training centre established for the purpose at Nawabganj, District- Gonda (UP). This move will help the company to get better trained workers for its operations.

CREDIT RATING:

CRISIL Limited vide their letter number CSBL/203924/BLR/071801126 dated 27th July, 2018; has reviewed and reaffirmed the following ratings to the bank loan facilities of ₹. 71.50 Crores availed by the Company:

Total Bank Loan Facilities Rated	₹ 71.5 Crore (Enhanced from ₹ 62.55 Crore)
Long Term Rating	CRISIL BBB/Stable (Reaffirmed)
Short-Term Rating	CRISIL A3+ (Reaffirmed)

The aforesaid rating is valid till 31st March, 2019.

DIVIDEND

To strengthen the financial position and funding to the ongoing projects of the Company, no dividend is recommended by the Board for the Financial Year 2017-18. (Previous year Nil)

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018.
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the Annual Accounts on a going concern basis;
- that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2018 was ₹ 1181.74 Lakhs divided into 1,18,17,400 equity shares of ₹ 10/- each. During the year under review, the Company has not issued equity shares or shares with differential voting rights or granted stock options or sweat equity.

TRANSFER TO RESERVES

During the year under review the company has not transferred any amount to the general reserves. However the Company has transferred ₹ 30.00 Lakhs received as Capital Subsidy to Capital Reserve during the year under review. (In previous year, your company has transferred Security Premium of ₹ 406.53 Lakhs (net of after writing off public issue expenses of ₹ 40.35 Lakhs)

FINANCE

Cash and Cash equivalent as at 31st March, 2018 is ₹ 269.73 Lakhs (Previous year ₹ 26.27 Lakhs). Your Company continues to focus on management of its working capital, Receivables, inventories and other working capital parameters are kept under continuous monitoring.

Cash & Cash equivalents as at 31st March, 2018 includes ₹ 246.47 Lakhs received as advance in the form of aid from Government to carry out skill development and placement project under DDU-GKY which is kept in current account.

Your directors place on record their appreciation to Bank of India, Bank of Baroda and HDFC Bank Limited, bankers of the Company for providing timely support for short term and long term financial requirements of the company.

DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2018. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

CSR INITIATIVES

In view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2017-18 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under “Corporate Social Responsibility (CSR)”, the Company has undertaken various activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

OCCUPATIONAL HEALTH & SAFETY (OH&S)

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

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (‘Act’) and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2017-18	No. of complaints filed during the F.Y. 2017-18	No. of complaints pending as at the end of F.Y. 2017-18
Sexual Harassment	Nil	Nil	Nil

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

MAINTENANCE OF COST RECORDS :

The company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

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

1. Internal Financial Control & its effectiveness

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

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

2. Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism named vigil mechanism/whistle blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are annexed to the Board Report as “**Annexure B**” and are also posted on the website of the Company. ([Link - http://comsyn.com/wp-content/uploads/2017/10/CSBL_Vigil-Mechanism-Whistle-Blower-Policy.pdf](http://comsyn.com/wp-content/uploads/2017/10/CSBL_Vigil-Mechanism-Whistle-Blower-Policy.pdf))

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY

The Company does not have any subsidiary, associate or joint venture during the financial year 2017- 18 as well as at the beginning or closing of the financial year. Therefore, the financial statement is prepared on standalone basis and the requirement for disclosure in the Form AOC-1 is not applicable. However, the Company is an associate of Super Sack Pvt. Ltd. which is holding 31,14,000 equity shares representing 26.35% of total paid up equity share capital of the Company as on 31st March, 2018.

BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

1. Constitution of the Board

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

2. Board Independence

Our definition of ‘Independence’ of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having following independent directors;

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

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years and shall not be liable to retire by rotation.

3. Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2017-18.

4. Directors liable to retire by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Virendra Singh Pamecha, Whole Time Director (DIN:07456367) of the Company is liable to retire by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends to pass necessary resolutions for approval of the members as set out in the notice of the annual general meeting.

5. Changes in Directors and Key Managerial Personnel

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

There was no change in the composition of Directors and Key Managerial Personnel during the Financial Year 2017-18 except the following:

1. The tenure of Mrs. Ranjana Choudhary (DIN: 03349699), Whole Time Director was expired on 31st May, 2017, therefore, upon the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9th March, 2017 has re-appointed her for a further term of 5 (Five) years w.e.f. 1st June, 2017. Her appointment was also approved by the members at their 33rd Annual General Meeting held on 22nd September, 2017.
2. Mr. Neetesh Gupta (DIN: 06689342), Independent Director has resigned from the Board w.e.f. 10th May, 2017 vide his resignation letter dated 2nd May, 2017. The Board of Directors at their meeting held on 10th May, 2017 accepted his resignation.
3. Upon the recommendation of Nomination and Remuneration Committee of the Board, the Board of Directors at their meeting held on 10th May, 2017 has appointed Mr. Milind Mahajan (DIN:00155762) as Additional Director under the category of Independent Director for a term of 5 (Five) years w.e.f. 10th May, 2017. His appointment was also approved by the members at their 33rd Annual General Meeting held on 22nd September, 2017.

6. Meetings of the Board

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

The Board met **5 (Five)** times in the Financial Year 2017-18 viz., 10th May, 2017; 29th May, 2017; 4th August, 2017; 8th November, 2017; 28th February, 2018. The maximum interval between any two meetings did not exceed 120 days.

7. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 8th November, 2017 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), uploaded on company's website ([Link - http://comsyn.com/wp-content/uploads/2018/08/RevisedNOMINATION-AND-REMUNERATION-POLICY-2-1.pdf](http://comsyn.com/wp-content/uploads/2018/08/RevisedNOMINATION-AND-REMUNERATION-POLICY-2-1.pdf).)

Due to changes in the Regulation 19 of the SEBI (LODR) Regulations, 2015 and section 178 of the Companies Act, 2013, the Committee amended the Nomination and Remuneration Policy in compliance with these amendments and same was approved and adopted by the Nomination & Remuneration Committee and Board w.e.f. 2nd August, 2018.

1. Annual evaluation by the Board

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

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

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

COMMITTEES OF THE BOARD

The Company has following five Committees:

(a) Audit Committee:

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

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

(b) Nomination and Remuneration Committee:

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

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

(c) Stakeholders' Relationship Committee:

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

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

(d) Corporate Social Responsibility (CSR) Committee:

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

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

(e) Borrowing Committee:

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

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

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2017-18 were on Arm's Length Basis and were in the Ordinary Course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise by the Board. The transactions entered into by the company are audited. The Company has developed Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

Due to changes in the Regulation 23 of the SEBI (LODR) Regulations, 2015, the Audit Committee and Board has adopted amended RPT Policy w.e.f. 2nd August, 2018 and same is available on the Company's website ([Link-http://comsyn.com/wp-content/uploads/2018/08/Revised-RPT-Policy.pdf](http://comsyn.com/wp-content/uploads/2018/08/Revised-RPT-Policy.pdf)).

Requirement of Form AOC-2 for annexed with the Board Report is not applicable on the company during the year 2017-18.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

1. Statutory Auditors

M/s Gupta & Ashok, Chartered Accountants, (ICAI Firm Registration No. 02254C), the Statutory Auditors were appointed for a term of consecutive 5 (Five) years at 30th Annual General Meeting of the Company held on 30th September, 2014. As per the provisions of section 139 of the Companies Act, 2013, the appointment of Auditors was required to be ratified by Members at every Annual General Meeting; however in accordance with amendment made to section 139 vide Companies Amendment Act, 2017, enforced on 7th May, 2018, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. However, the company proposes to ratify their appointment at ensuing AGM as per terms of their original appointment and they will continue till the conclusion of 35th Annual General Meeting to be held in the year 2019.

As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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

2. Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year, 2017-18. The Report of the Secretarial Auditors in **Form MR-3** is annexed herewith as "**Annexure C**" of this report. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board, except that:

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

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

- 2) *Presently, about 42.00 Lakhs is the Un-spent amount towards Corporate Social Responsibility by the company as required under section 135 of the Act.*

Management Comments: Company could not spend the remaining balance un-spent amount as the Company was in the process of identification of the suitable Projects and place for proper utilization of the CSR amount and need more time for verification of various proposal received from Implementing Agencies. Company is fully committed & dedicated towards its Social Responsibility. The company will endeavor to spend the unspent amount in the financial year 2018-19.

- 3) *Penalty was confirmed on the Company as well as on Shri Virendra Singh Pamecha by the order of CESTAT dated 15.01.2018 u/s 114 and 125 of the Customs Act, 1962 due to confiscation of goods for furnishing wrong bill of Export and the same is already paid by the concerned.*

Management Comments: The goods were confiscated by the adjudicating authority and a fine of ₹1,89,960/- was imposed on the company. A nominal duty involvement of ₹23,479/- on additional supply was due to mis-declaration of the goods which was genuine mistake at the time of making the documents and there was no malafide intention or suppression of any material fact. Also, the goods wrongly dispatched by the company were finally exported out of India. The company has got substantial relief from Central Excise and Service Tax Appellate Tribunal against the order passed by Commissioner (Appeals), Customs, Central Excise & Service Tax, Bhopal. The company has deposited duty amount of ₹23,479 along with interest and penalty amounting to ₹53,479/-. Mr. Virendra Singh Pamecha has paid penalty of ₹23,479/-.

The Board of Directors at their Meeting held on 26th May, 2018, has re-appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit for Financial Year 2018-19.

DISCLOSURE FOR FRAUDS AGAINST THE COMPANY

In terms of provision of section 134(3) (ca) of the Companies Act, 2013, there were no instances of fraud reported to the Central Government by Auditors under section 143(12) of the Companies Act, 2013. Further that during the year 2017-18 there were no instances of fraud which are not reportable under section 143(12) of the Act.

CORPORATE GOVERNANCE

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

CODE OF CONDUCT

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company at following link.
http://comsyn.com/wp-content/uploads/2017/10/CSBL_Code-of-Conduct-for-BODKMPs-Senior-Management_.pdf

CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

No material changes and commitments affecting the financial position of the Company occurred during the Financial Year to which this financial statements relate and the date of report. Except, that the company has started the commercial production at SEZ Unit situated at Indore Special Economic Zone, Plot No. 15 to 18, Phase-1, Sector-III, Pithampur (MP) at a revised estimated total cost of ₹ 3,460 Lakhs.

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

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

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure E”.

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

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

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

INDUSTRIAL RELATIONS

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

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Board of Directors at their meeting held on 26th May, 2018 has adopted revised Code of Fair Disclosure Policy and Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulation 2015 and amended Code/Policy were also hosted on the website of Company.

http://comsyn.com/wp-content/uploads/2018/05/CSBL_Code_of_Fair_Disclosure.pdf

http://comsyn.com/wp-content/uploads/2018/05/CSBL_Code_of_Conduct_for_Insider_under_SEBI_PIT_2015.pdf

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, there were no such instances in the Company during the year 2017-18.

CAUTIONARY STATEMENT

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

ACKNOWLEDGMENTS

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

Place: Indore

Date: 2nd August, 2018

For and on behalf of the Board

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-A”

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

CSR Policy is stated at the Website of Company: (Link: http://comsyn.com/wp-content/uploads/2017/10/CSBL_CSR-Policy.pdf)

2. Composition of the CSR Committee:

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

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

Financial Year	Profit (₹ in Lakhs)
2016-17	758.84
2015-16	813.80
2014-15	737.74
Total (A)	2310.38
Average of above said Profit	770.13
2% of Average Profit	15.40

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

The Company was required to spend Rs.15.40 Lakhs towards CSR during the Financial Year 2017-18 and the Company is carrying the unspent amount of Rs.29.49 Lakhs for the year 2014-15, 2015-16 and 2016-17. Thus, the Company was required to spend total amount of Rs.44.89 Lakhs upto 31st March, 2018. Your company has expended Rs. 2.89 Lakhs towards the CSR activities till 31st March, 2018.

5. Details of CSR spend for the financial year

- a. Total amount spent during the financial year 2017-18 : Rs. 2.89 Lakhs
- b. Unspent amount of CSR activities for 2015-16, 2016-17 & 2017-18 : Rs. 42.00 Lakhs
- c. Manner in which the amount spent during the financial year is detailed below :

(₹ in Lakhs)

S. No.	Project/ Activities	Sector	Location	Amount spent on the project/ activities	Cumulative expenditure upto reporting period	Amount spent direct or through implementing agency
1.	Plantation Programme	Environment sustainability	Pithampur (M.P.)	0.25	0.25	Direct
2.	Contribution to friends of Tribal society	Measures for reducing inequalities faced by socially and economically backward groups and upliftment of deprived underprivileged	Indore (M.P.)	1.00	1.25	Through implementing Agency
3.	Contribution to Mr. Hari Satsang Samiti (Associate of Friends of Tribal Society)		Indore (M.P.)	0.51	1.76	Through implementing Agency

4.	Contribution to HelpAge India	Measures for care of disadvantaged elderly Senior Citizens	Indore (M.P.)	0.15	1.91	Through implementing Agency
5.	Contribution to Shraddhanand Anathalaya	Setting up and running of Orphan Age Home	Indore (M.P.)	0.11	2.02	Through implementing Agency
6.	Contribution to Seva Bharti	Promoting education among children.	Indore (M.P.)	0.21	2.23	Through implementing Agency
7.	Contribution to PETA INDIA	Animal Welfare	Indore (M.P.)	0.02	2.25	Through implementing Agency
8.	Contribution to Ahilyamata Gaushala Jivadaya Mandal		Indore (M.P.)	0.51	2.76	Through implementing Agency
9.	Contribution to Sadachar Samiti (Distribution of Food Pack in Hospitals & to needy persons/poors)	Eradicating hunger and malnutrition	Indore (M.P.)	0.02	2.78	Through implementing Agency
10.	Contribution to Prime Minister Relief Fund	Fund Set up by the Central Government	All over India	0.11	2.89	Through implementing Agency

6. During the financial year Company has spent Rs.2.89 Lakhs out of Rs.44.89 Lakhs and the Company could not spend the remaining balance amount as the Company was in the process of identification of the suitable Projects and place for proper utilization of the CSR amount and need more time for verification of various proposal received from Implementing Agencies. Company is fully committed & dedicated towards its Social Responsibility. The balance amount would be spent in the financial year 2018-19.
7. The CSR Committee of the Board of Directors hereby confirms that implementation and monitoring is fully in accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made there under.

For and on behalf of the Board

Place: Indore

Date: 26th May, 2018

Anil Choudhary
Chairman of the CSR Committee
DIN: 00017913

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

1. PREFACE

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

2. DEFINITIONS

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

3. POLICY OBJECTIVES

- 3.1 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

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

4. SCOPE OF THE POLICY

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

5. ELIGIBILITY

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

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 6.3 Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer;

Mr. Hitesh Mehta

Chairman of the Audit Committee

Email: hitesh1950@gmail.com

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

Chairman & Managing Director

Mr. Anil Choudhary

Email: anil@comsyn.com

Chief Executive Officer (CEO)

Mr. Ravindra Choudhary

Email: ravi@comsyn.com

Chairman of the Audit Committee

Mr. Hitesh Mehta (Independent Director)

Email: hitesh1950@gmail.com

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

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

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

7. INVESTIGATION

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

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

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

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

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

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

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

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

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

8. DECISION AND REPORTING

8.1 If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

8.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

8.3 In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

8.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

- 8.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

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

10. PROTECTION

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

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

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

12. COMMUNICATION

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

13. RETENTION OF DOCUMENTS

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

14. AMENDMENT

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

Place: Indore

Date: 2nd August, 2018

For and on behalf of the Board

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-C”

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 (1st April, 2017 to 31st March, 2018) complied with the statutory provisions, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Commercial Syn Bags Limited (“the Company”) for the financial year ended on 31st March, 2018, according to the provisions of:

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

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

Regulations as applicable to the Company is given in **Annexure I**.

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

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015, as applicable to a company listed with SME Platform of BSE.

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

- 1) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*
- 2) *Presently, about 42.00 Lakhs is the Un-spent amount towards Corporate social responsibility by the company as required under section 135 of the Act.*
- 3) *Penalty was confirmed on the Company as well as on Shri Virendra Singh Pamechaby the order of CESTAT dated 15.01.2018 u/s 114 and 125 of the Customs Act, 1962 due to confiscation of goods for furnishing wrong bill of Export and the same is already paid by the concerned.*

We further report that

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

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

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

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

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

This report is to be read with our letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

We further report that during the audit period of the Company, there was no specific events/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations guidelines, standards, etc, referred to above, except that

- (a) the Company has expanded operations at its existing Unit SEZ situated at Pithampur (MP); through capacity addition of 3900 MT and setting up of complete manufacturing facilities by installation of Tape Line and Looms with clean room facilities for manufacturing of Food Grade, Jumbo and FIBC Bags. The total production capacity (all units) of the company has been increased from 13100 MT to 17000 MT with the investments about ₹ 3460.00 Lakhs and has commenced commercial production from the Unit w.e.f. 22nd April, 2018.

For, ISHAN JAIN & CO.
COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR
 ACS 29444, CP 13032
 Place: Indore
 Date: 10th May, 2018

Annexure - I to the Secretarial Audit Report

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

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

For, ISHAN JAIN & CO.
COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR
ACS 29444, CP 13032
Place: Indore
Date: 10th May, 2018

Annexure - II to the Secretarial Audit Report

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

Our Secretarial Audit Report of even date is to be read along with this letter that;

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

For, ISHAN JAIN & CO.
COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR
ACS 29444, CP 13032
Place: Indore
Date: 10th May, 2018

"Annexure-D"

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

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

(A) CONSERVATION OF ENERGY

(I)	the steps taken or impact on conservation of energy;	The Company is utilizing latest machinery to save the power consumption. It had replaced the conventional lights with the LED lights. It is using the Air Ventilators for reducing the temperature naturally at the work place. Further Company is also using the LED Monitors to reduce the power consumption.
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company is having DG Set as a standby power arrangement and for alternate source of energy. Further the company had already installed the Solar Power Generating System and the electricity generated at the Solar Power Plant is captively used by the Company at its manufacturing unit. It results in reduction of power cost and increase in efficiency.
(III)	the capital investment on energy conservation equipment's	Rs. 25.10 Lakhs (Cost of new DG Set)

(B) TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	N.A.
	(a) the details of technology imported	N.A.
	(b) the year of import	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and thereasons thereof; and	N.A.
(iv)	the expenditure incurred on Research and Development	2017-18 2016-17 NIL NIL

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO	(₹ in Lakhs)		
		2017-18	2016-17
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	11765.55	9552.17
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.	680.32	1408.33

For and on behalf of the Board

Place: Indore

Date: 2nd August, 2018

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

“Annexure-E”

EXTRACT OF ANNUAL RETURN -FORM MGT – 9**As on financial year ended on 31st March, 2018**

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

I. Registration and Other Details

CIN	L25202MP1984PLC002669
Registration Date	10/12/1984
Name of the Company	COMMERCIAL SYN BAGS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore-452001 (M.P.) <u>Email: investors@comsyn.com</u>
Whether listed company	Yes (Listed on BSE Ltd. (SME Platform))
Name, address and contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra - Tel.+91 22 6263 8200 <u>Email: investor@bigshareonline.com</u>

II. Principal Business Activities of the Company:

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

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of plastic articles for the packing of goods (plastic bags, sacks, containers, boxes, cases, carboys, bottles etc.)	22203	92.69%

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

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

IV.SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)

I) Category-wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	3049100	-	3049100	25.80%	3052100	-	3052100	25.83%	0.03%
b) Central Govt.	-	-	-	-	-	-	-	-	0
c) State Govt.(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corporate	3114000		3114000	26.35%	3114000		3114000	26.35%	0
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any Other....	-	-	-	-	-	-	-	-	0
Sub-Total (A)(1):	6163100	-	6163100	52.15%	6166100	-	6166100	52.18%	0.03%
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	0
b) Other –Individuals	-	-	-	-	-	-	-	-	0
c) Bodies Corporate	-	-	-	-	-	-	-	-	0
d) Banks / FI	-	-	-	-	-	-	-	-	0
e) Any Other...	-	-	-	-	-	-	-	-	0
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	0
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	6163100	-	6163100	52.15%	6166100	-	6166100	52.18%	0.03%
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	0
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	0
b) Banks / FI	-	-	-	-	-	-	-	-	0
c) Central Govt.	-	-	-	-	-	-	-	-	0
d) State Govt.(s)	-	-	-	-	-	-	-	-	0
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0
f) Insurance companies	-	-	-	-	-	-	-	-	0
g) FIIs	-	-	-	-	-	-	-	-	0
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0
i) Others (specify)	-	-	-	-	-	-	-	-	0
Sub-Total (B)(1):	-	-	-	-	-	-	-	-	0
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	590500	-	590500	5.00%	606000	-	606000	5.13%	0.13%
ii) Overseas	-	-	-	-	-	-	-	-	0
b) Individuals									
I) Individual Share holders holding nominal share capital upto Rs.2 Lakh	1341300	-	1341300	11.35%	1166800	-	1166800	9.87%	(1.48)%

ii) Individual Shareholders holding nominal share capital in excess of Rs.2 Lakh	3545500	-	3545500	30.00%	3620500	-	3620500	30.64%	0.64%
c) Others (specify)									
Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	0
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	0
iii) Foreign Bodies	-	-	-	-	-	-	-	-	0
iv) NRI / OCBs	54000	-	54000	0.46%	84000	-	84000	0.71%	0.25%
v) Clearing Members /Clearing House	123000	-	123000	1.04%	174000	-	174000	1.47%	0.43%
vi) Trusts	-	-	-	-	-	-	-	-	0
vii) LLP	-	-	-	-	-	-	-	-	0
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	0
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	0
Sub-Total (B)(2):	5654300	-	5654300	47.85%	5651300	-	5651300	47.82%	(0.03)%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5654300	-	5654300	47.85%	5651300	-	5651300	47.82%	(0.03)%
Grand Total (A+B)	11817400	-	11817400	100%	11817400	-	11817400	100%	0

ii) Shareholding of Promoters

Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Co.	% of Shares Pledged / encumbered to total shares	
Mr. Mohanlal Choudhary	539000	4.56	-	539000	4.56	-	0.00
Mr. Anil Choudhary	449200	3.80	-	449200	3.80	-	0.00
Mrs. Vidhya Choudhary	224180	1.90	-	224180	1.90	-	0.00
Mr. Pramal Choudhary	215200	1.82	-	215200	1.82	-	0.00
Anil Choudhary HUF	470620	3.98	-	470620	3.98	-	0.00
Mangilal Mohanlal HUF	140000	1.18	-	140000	1.18	-	0.00
Ms. Veenal Choudhary	520800	4.41	-	520800	4.41	-	0.00

Super Sack Pvt. Ltd.	3114000	26.35	-	3114000	26.35	-	0.00
Ravindra Kumar Mohanlal Choudhary (HUF)	269000	2.28	-	269000	2.28	-	0.00
Mr. Ravindra Choudhary	94500	0.80	-	97500	0.83	-	0.03
Mrs. Munni Bai Choudhary	125600	1.06	-	125600	1.06	-	0.00
Ms. Hemlata Choudhary	1000	0.01	-	1000	0.01	-	0.00

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

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Co.	No. of Shares	% of total Shares of the Co.
At the beginning of the year	6163100	52.15		
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
- Acquired through Secondary market as per Benpos dated 22.09.2017	3000	0.03	6166100	52.18
At the end of the year			6166100	52.18

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Changes during the year					Reason
	No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company	Date	No. shares before Change	No. shares After Change	Increase	Decrease	
Mr. Pradeep Kumar Agrawal	871560	7.38	871560	7.38	-	-	-	-	-	-
Mr. Ashok Kumar Agrawal	500000	4.23	500000	4.23	-	-	-	-	-	-
Mr. Shambhu Kumar Garg	395340	3.35	395340	3.35	-	-	-	-	-	-
Ms. Shraddha Pradipkumar Shah	0	0	288000	2.44	30-03-2018	0	288000	288000	-	Acquired
Rikhav Securities Limited	180000	1.52	258000	2.18	22-09-2017	180000	183000	3000		Acquired
					29-09-2017	183000	192000	9000		Acquired
					27-10-2017	192000	198000	6000		Acquired
					03-11-2017	198000	204000	6000		Acquired
					10-11-2017	204000	210000	6000		Acquired
					17-11-2017	210000	213000	3000		Acquired
					24-11-2017	213000	222000	9000		Acquired
					08-12-2017	222000	228000	6000		Acquired
					15-12-2017	228000	231000	3000		Acquired
					29-12-2017	231000	243000	12000		Acquired
					05-01-2018	243000	246000	3000		Acquired
					12-01-2018	246000	258000	12000		Acquired
Ashok Kumar Tarachand Garg (HUF)	240000	2.03	240000	2.03	-	-	-	-	-	-
Atul Kumar Tarachand Garg (HUF)	240000	2.03	240000	2.03	-	-	-	-	-	-
Mrs. Ranjana Choudhary	221600	1.88	221600	1.88	-	-	-	-	-	-
Ms. Nidhi Biyani	150000	1.27	150000	1.27	-	-	-	-	-	-
Mr. Manoj Agrawal	180000	1.52	144000	1.22	23-06-2017	180000	171000	-	9000	Disposed off
					30-06-2017	171000	162000	-	9000	Disposed off
					07-07-2017	162000	153000	-	9000	Disposed off
					21-07-2017	153000	147000	-	6000	Disposed off
					09-02-2018	147000	144000	-	3000	Disposed off
Mrs. Ranjanben Arvindray Shah	210000	1.78	0	0	26-05-2017	210000	288000	78000	-	Acquired
					30-03-2018	288000	0	-	288000	Disposed off

The dates of change in shareholding and number of shares have been taken as per information made available by the share transfer agent based on the benpos.

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Mr. Anil Choudhary, Chairman & Managing Director				
At the beginning of the year	449200	3.80		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):			-	-
At the end of the year			449200	3.80
Mrs. Ranjana Choudhary, Whole-time Director				
At the beginning of the year	221600	1.88		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):			-	-
At the end of the year			221600	1.88
Mr. Ravindra Choudhary, Chief Executive Officer				
At the beginning of the year	94500	0.80		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
Acquired from secondary market as per Benpos dated 22.09.2017			3000	0.30
At the end of the year			97500	0.83

Mr. Virendra Singh Pamecha (WTD), Mr. Abhishek Jain (CFO), Ms. Megha Parmar (CS), Mr. Hitesh Mehta (ID), Mr. Milind Mahajan (ID), Mr. Chintan Pushpraj Singhvi (ID) were not holding any shares in the company as on 31st March, 2018.

V. INDEBTEDNESS

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

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2457.87	195.60	0.00	2653.47
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	2.55	0.00	0.00	2.55
Total (i+ii+iii)	2460.42	195.60	0.00	2656.02
Change in Indebtedness during the financial year				
Addition	1292.78	2.68	0.00	1295.46
Reduction	(0.26)	0.00	0.00	(0.26)
Net Change	1292.52	2.68	0.00	1295.20
Indebtedness at the end of the financial year				
i) Principal Amount	3750.65	198.28	0.00	3948.93
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	2.29	0.00	0.00	2.29
Total (i+ii+iii)	3752.94	198.28	0.00	3951.22

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

S. No.	Particular of Remuneration	Mr. Anil Choudhary CMD	Mrs. Ranjana Choudhary WTD	Mr. Virendra Singh Pamecha WTD	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	21,00,000	9,00,000	9,65,842	39,65,842
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	21,00,000	9,00,000	9,65,842	39,65,842
	Ceiling as per the Act*	84,00,000	84,00,000	84,00,000	2,52,00,000

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

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

S. No.	Particular of Remuneration	Mr. Hitesh Mehta	Mr. Neetesh Gupta*	Mr. Chintan Pushpraj Singhvi	Mr. Milind Mahajan*	Total
1	-Fee for attending Board/ Committee Meetings	24,000	2,000	2,000	16,000	44,000
2	-Commission		-	-	-	-
3	- Others, please specify	-	-	-		-
	Total B.1	24,000	2,000	2,000	16,000	44,000

*Mr. Neetesh Gupta (ID) resigned and Mr. Milind Mahajan (ID) appointed w.e.f. 10th May, 2017.

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

S.No.	Particular of Remuneration	-	Total
1	-Fee for attending Board/Committee Meetings		
2	-Commission	-	-
3	- Others, please specify	-	-
	Total B.2	-	-
	Total (B1+B2)	-	44,000
	Total Managerial Remuneration (A + B)		40,09,842
	Overall Ceiling as per the Act		2,52,00,000

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

S. No.	Particular of Remuneration	Ms. Megha Parmar (CS)	Mr. Ravindra Choudhary (CEO)	Mr. Abhishek Jain (CFO)	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	2,90,084	12,00,000	10,41,852	25,31,936
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
	Stock Options	0	0	0	0
	Sweat Equity	0	0	0	0
	Commission				
	- as % of profit	0	0	0	0
	- Others, specify....	0	0	0	0
	Others, please specify	0	0	0	0
	Total C	2,90,084	12,00,000	10,41,852	25,31,936

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES

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

For and on behalf of the Board

Place: Indore

Date: 2nd August, 2018

 Anil Choudhary
 Chairman & Managing Director
 DIN: 00017913

“Annexure-F”

Particulars of Employees

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

A. Ratio and remuneration of Directors & KMPs

S. No.	Name	Designation	Remuneration for the year 2017-18 (Rs.)	Remuneration for the year 2016-17 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1	Mr. Anil Choudhary	CMD	21,00,000	15,00,000	40.00	23.97:1
2	Mrs. Ranjana Choudhary	WTD	9,00,000	6,00,000	50.00	10.27:1
3	Mr. Virendra Singh Pamecha	WTD	9,65,842	8,84,208	9.23	11.02:1
4	Mr. Hitesh Mehta	ID	24,000	30,000	N.A.	N.A.
5	Mr. Neetesh Gupta*	ID	2,000	28,000	N.A.	N.A.
6	Mr. Milind Mahajan*	ID	16,000	N.A.	N.A.	N.A.
7	Mr. Chintan Singhvi	ID	2,000	8,000	N.A.	N.A.
8	Mr. Ravindra Choudhary	CEO	12,00,000	6,00,000	100.00	13.69:1
9	Mr. Abhishek Jain	CFO	10,41,852	10,34,919	0.00	11.89:1
10	Ms. Megha Parmar	CS	2,90,084	2,69,686	7.56	3.31:1

*Mr. Neetesh Gupta (ID) resigned and Mr. Milind Mahajan (ID) appointed w.e.f. 10th May, 2017.

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

As stated above in item no. (A).

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

The remuneration of Median employee was Rs. 87,600 during the year 2017-18 as compared to Rs. 83,400 in the previous year. The increase in the remuneration of Median Employee was 5.04% during financial year under review.

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

As on 31st March, 2018 the total number of employees on the roll was 971.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Based on Remuneration Policy of the Company, salary of the employees was increased around 8.16% on an average and managerial remuneration was increased 33.08%, this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms that remuneration is as per the remuneration policy of the Company:

G. Particular of the top 10 employee in respect of the remuneration drawn during the year 2017-18 are as under :

S. No	Name of Employee	Designation of the employee	Remuneration received	nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
1	Mr. Anil Choudhary	Chairman & Managing Director	21,00,000	Permanent	B.Sc., M.A., Diploma in Marketing Management (DMM) 34 Years	Since Incorporation of the Company	59 Years	No Previous Employer	NO	-
2	Mr. Hemant Baid	General Manager-Marketing	15,11,227	Permanent	MBA, 12 Years	03.11.2009	35 Years	Flexituff International Ltd., Pithampur	NO	-
3	Mr. Pramal Choudhary	Chief Operating Officer	15,00,000	Permanent	MBA, 8 years	01.03.2010	31 Years	No Previous Employer	Yes (Mr. Anil Choudhary, CMD)	-
4	Mr. Ashok Gupta	Director-Technical	14,03,806	Permanent	B.E., 34 Years	01.01.2016	57 Years	Neo Corp International Limited	NO	-
5	Mr. Ravindra Choudhary	CEO	12,00,000	Permanent	Diploma in Finance & Tax Management and Diploma in Import Export Management. 7 Years	01.07.2011	44 Years	No Previous Employer	Yes (Mrs. Ranjana Choudhary, WTD)	-
6	Mr. Abhishek Jain	Chief Financial Officer	10,41,852	Permanent	M.Com, ACS, MBA (Fin.), LL.B (Hons.), LL.M 12 years	01.10.2005	37 Years	No Previous Employer	NO	-
7	Mr. Shankar Dayal Prasad	Manager – Civil	9,91,017	Permanent	Dip. In Civil 21 Years	14.08.2013	45 Years	Mission Pharma, Pithampur	NO	-
8	Mr. Virendra SinghPamecha	Whole Time Director	9,65,842	Permanent	B.Com.28 Years	21.09.2009	49 Years	India Nets, Pithampur	NO	
9	Ms. Kavita Gupta	Sr. Manager (Q.A.)	9,37,654	Permanent	M.Sc., 11 Years	01.01.2016	51 Years	Neo Corp International Limited	NO	
10	Mrs. Ranjana Choudhary	Whole Time Director	9,00,000	Permanent	B.Com, Masters Degree in Computer Management 7 Years	05.06.2011	37 Years	-	NO	

For and on behalf of the Board

Place: Indore

Date: 2nd August, 2018

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Industry structure and developments.

The global economic upswing that began around mid-2016 has become broader and stronger. World Economic Outlook report projected that advanced economies as a group will continue to expand above their potential growth rates this year and next before decelerating, while growth in emerging market and developing economies will rise before leveling off. World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exporters to gradually improve. (World Economic Outlook: International Monetary Fund)

As per Economic Survey 2017-18 macroeconomic developments this year have been marked by swings. In the first half, India's economy temporarily "decoupled," decelerating as the rest of the world accelerated – even as it remained the second-best performer amongst major countries, with strong macroeconomic fundamentals. The reason lay in the series of actions and developments that buffeted the economy: demonetization, teething difficulties in the new GST, high and rising real interest rates, an intensifying overhang from the TBS challenge, and sharp falls in certain food prices that impacted agricultural incomes. In the second half of the year, the economy witnessed robust signs of revival. Economic growth improved as the shocks began to fade, corrective actions were taken, and the synchronous global economic recovery boosted exports. Reflecting the cumulative actions to improve the business climate, India jumped 30 spots on the World Bank's Ease of Doing Business rankings, while similar actions to liberalize the foreign direct investment (FDI) regime helped increase flows by 20 %.

A series of major reforms undertaken over the past year allowed real GDP growth to reach 6.7% this fiscal and will rise to 7.0 to 7.5 percent in 2018-19, thereby re-instating India as the world's fastest growing major economy. The survey pointed out that India can be rated as among the best performing economies in the world as the average growth during last three years is around 4 percentage points higher than global growth and nearly 3 percentage points higher than that of Emerging Market and Developing Economies. It points out that the GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. Though concerns have been expressed about growing protectionist tendencies in some countries but it remains to be seen as to how the situation unfolds. Some of the factors could have dampening effect on GDP growth in the coming year viz. the possibility of an increase in crude oil prices in the international market. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likely recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth for India. On balance, country's economic performance should witness an improvement in 2018-19. (Economic Survey: 2017-18)

The growth of the industries including food and horticulture due to the increase production and trade of horticulture products and chemicals, have boosted the demand for flexible bulk packaging. Additionally, the low-cost of shale gas, that is used as a major feedstock for the manufacturing chemicals, is inducing players in the chemical and fertilizer sectors to enhance the production of chemicals, which also increases the demand for FIBC bags. Moreover, the increased need to reduce the overall weight of bulk packaging and transporting materials will also drive the demand for FIBC containers in several other industrial sectors such as construction, boosting market growth in the coming years. (Source: <https://www.technavio.com/report/global-packaging-global-flexible-intermediate-bulk-container-market-2017-2021>)

Flexible packaging has been one of the fastest growing sectors in the packaging industry over the past 10 years. According to Smithers Pira, Globally the industry is expected to grow at an annual average rate of 3.4% during 2015- 2020 to reach USD 248 Billion. Asia is expected to lead the demand with its market share progressing from 42% in 2015 to nearly 45% by 2020. Food sector within the FMCG is the biggest consumer of flexible packaging with a gargantuan share of over 70%.

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

Company's customer base is spread across the globe with major presence in European Union, United Kingdom, United States & Latin America. The majority of sales are through exports which continue to contribute more than 75% of sales from manufacturing segment. The Company has also been recognized by Government of India as an Export House.

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

(b) Opportunities and Threats

The Company has wide range of products in its basket which caters to the customers across the globe and R&D Department of the Company looks after the innovation and also take into consideration the standards laid down under the ISO certification. Your company is also having BIS Certification for separate clean room facilities situated at Unit-I for manufacturing of packaging material to be used for food and nonfood application. Recently Company's Unit SEZ started its operations after successful completion of expansion activities and capacity addition of 3900 MT p.a. by setting up of complete manufacturing facilities and installation of Tape Line and Looms with clean room facilities for manufacturing of Food Grade FIBC Bags. The total production capacity (all units) of the company has been increased from 13100 MT p.a. to 17000 MT. p.a. Thus your company has adequate production capacity to meet the increased demand of the Customers. Company's fully integrated food grade manufacturing facility for FIBC is one of the best in India.

Your company is an approved supplier of various Government authorities, large public and private sector industries. Due to increased overseas demand and technological advancement the Company has wide opportunities to expand its business operations and product base across the Globe.

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

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

a) Primary Segment (by Business Segment): Based on the guiding principles given in Accounting Standards on Segment Reporting (AS - 17) the company is primarily in the business of manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging which mainly have similar risk and returns. The company has undertaken Trading of Granules (DCA cum Consignment Stockiest) segment during the year under review. The company has identified following segments as Reportable Business Segments:

01. Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging.

02. Trading of Granules

b) Secondary Segment (by Geographical demarcation):

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

Financial information and performance of both the segments are detailed in Note 40 of Notes to accounts attached with audited financial statements.

(d) Future Outlook

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

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

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

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

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

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

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

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2018 we have 971 employees on payroll. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

Cautionary Statement

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

Place: Indore
Date: 2nd August, 2018

For and on behalf of the Board

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

INDEPENDENT AUDITOR'S REPORT

The Members,
COMMERCIAL SYN BAGS LIMITED,
 Indore.

Report on the Financial Statements

We have audited the accompanying financial Statements of COMMERCIAL SYN BAGS LIMITED, ("the company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profits and cash flows for the year ended on that date.

Report on other Legal and other Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of the Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - (i) As informed to us the Company does not have pending litigation which could impact its financial position,
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses,
 - (iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

Place: Indore
Date: 26/05/2018

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

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

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

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

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

Name of the Statute	Nature of Amount Due	Amount	Amount paid in dispute	Period to which the amount relates	Forum where the dispute is pending for CARO
Income Tax Act	Income Tax	199210	Nil	Financial Year 2013-14	Dy. CIT, Circle 1(2) Indore

- (viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues of debenture holders.
- (ix) The Company has not raised money by way of initial public offer. The Company has raised money by way of term loans. The moneys raised by the Company has been applied for the purpose for which they are raised.
- (x) Based upon audit procedures performed and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

Place: Indore
Date: 26/05/2018

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

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2018

We have audited the internal financial controls over financial reporting of M/S Commercial Syn Bags Limited (“the Company”) as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Indore
Date: 26/05/2018

For Gupta & Ashok
Chartered Accountants
FRN: 02254C

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

BALANCE SHEET AS AT 31ST MARCH, 2018**CIN : L25202MP1984PLC002669**

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	11,81,74,000	11,81,74,000
(b) Reserves & Surplus	4	36,06,03,106	29,60,10,304
		47,87,77,106	41,41,84,304
(2) Non-current liabilities			
(a) Long-term borrowings	5	14,84,78,898	5,35,14,971
(b) Deferred tax liabilities(Net)	6	2,86,36,011	2,56,57,669
		17,71,14,909	79,172,640
(3) Current liabilities			
(a) Short-term borrowings	7	22,17,57,222	193,586,924
(b) Trade Payables	8	9,78,63,329	8,89,28,058
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Other current liabilities	9	13,02,15,445	15,84,84,900
(d) Short term provisions	10	1,36,25,186	66,85,821
		46,34,61,183	44,76,85,703
TOTAL		1,11,93,53,198	94,10,42,648
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets	11		
(i) Tangible assets		31,48,36,802	34,72,06,828
(ii) Capital work-in-progress		15,65,64,585	1,04,09,000
(b) Long-term loans and advances	12	1,21,11,888	1,05,08,278
(c) Other non-current assets	13	2,15,074	2,15,074
		48,37,28,349	36,83,39,180
(2) Current assets			
(a) Inventories	14	20,48,73,103	21,93,65,876
(b) Trade Receivables	15	23,07,36,258	15,49,62,721
(c) Cash and cash equivalents	16	5,42,02,001	5,34,00,987
(d) Short-term loans and advances	17	14,21,28,258	13,27,64,241
(e) Other current assets	18	36,85,229	1,22,09,644
		63,56,24,849	57,27,03,468
TOTAL		1,11,93,53,198	94,10,42,648

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

As per our report of even date

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

For **Gupta & Ashok**

Chartered Accountants

Firm Reg. No. 002254C

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Megha Parmar
 Company Secretary
 M.No. ACS 37111

 Place: Indore
 Date: 26.05.2018

CA Ashok Agrawal
 Partner
 M.No. 071274

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	Note No.	For the Year ended on 31.03.2018	For the Year ended on 31.03.2017
		₹	₹
Continuing Operations			
I. Revenue from operations (Gross)	19	1,68,82,84,623	1,24,08,10,808
Less: Excise Duty		81,87,265	5,06,63,400
Less: GST		7,03,72,568	-
Revenue from operations (Net)		1,60,97,24,790	1,19,01,47,408
II. Other Income	20	59,37,430	1,96,69,415
III. Total Revenue (I + II)		1,61,56,62,220	1,20,98,16,823
IV. Expenses:			
Cost of material consumed	21	83,79,00,820	73,24,11,817
Purchase of traded goods	22	13,03,09,849	12,56,168
Changes in inventories of finished goods, work in progress and stock in trade	23	3,67,04,402	(6,50,51,688)
Employees benefit expenses	24	16,15,74,006	15,77,35,144
Finance cost	25	2,64,53,116	2,54,06,915
Depreciation and amortisation expenses	26	4,00,84,721	3,60,53,132
Other expenses	27	29,28,15,269	24,61,21,012
Total Expenses		1,52,58,42,182	1,13,39,32,501
V. Profit(Loss) before tax (III - IV)		8,98,20,039	7,58,84,322
VI. Tax expense:			
(1) Current tax		(2,52,17,003)	(1,57,16,823)
(2) Deferred tax		(29,78,341)	(69,96,948)
(3) Income tax relating to earlier years		(3,18,92)	0
Profit(Loss) for the period from continuing operations (V - VI)		6,15,92,802	5,31,70,551
Profit(Loss) for the period		6,15,92,802	5,31,70,551
VII. Earning per equity share :	28		
Basic		5.21	4.87
Diluted		5.21	4.87

The accompanying notes are an integral part of the financial statements

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

As per our report of even date
 For **Gupta & Ashok**
 Chartered Accountants
 Firm Reg. No. 002254C

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Megha Parmar
 Company Secretary
 M.No. ACS 37111

Place: Indore
 Date: 26.05.2018

CA Ashok Agrawal
 Partner
 M.No. 071274

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	As at 31.03.2018	As at 31.03.2017
	₹	₹
Cash Flow from Operating activities		
Profit before tax from continuing operations	8,98,20,039	7,58,84,322
Profit before tax	8,98,20,039	7,58,84,322
<i>Non cash adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation/amortisation on continuing operations	4,00,84,721	3,60,53,132
Loss(Profit) on sale of fixed assets	43,58,776	36,96,04
Interest expenses	2,64,53,116	2,54,06,915
Interest income	(44,22,894)	(24,14,619)
Operating profit before changes in working capital	15,62,93,757	13,86,25,793
<i>Movements in working capital:</i>		
Increase(decrease) in trade payable	89,35,271	1,62,22,698
Increase(decrease) in short term provisions	69,39,365	(74,75,361)
Increase(decrease) in other current liabilities	(3,46,81,400)	9,52,01,760
Decrease(increase) in trade receivables	(7,57,73,537)	(1,18,79,232)
Decrease(increase) in inventories	1,44,92,773	(6,20,75,072)
Decrease(increase) in long term loans and advances	(16,03,610)	(17,28,404)
Decrease(increase) in short term loans and advances	(93,64,017)	(8,96,34,868)
Decrease(increase) in other current assets	85,24,415	(86,92,179)
Decrease(increase) in bank balances(other than cash equ)	2,29,63,168	(2,95,27,892)
Cash generated from(used in) operations	9,67,26,185	3,90,37,242
Direct taxes paid (net)	(2,52,48,895)	(1,57,18,833)
Cash flows from operating activities	7,14,77,289	2,33,18,409
Cash Flow from investing activities		
Purchase of fixed assets, CWIP and capital advances	(16,18,51,023)	(9,37,45,517)
Proceeds from sale of fixed assets	36,21,967	24,75,219
Interest received	44,22,894	24,14,619
Cash flows from investing activities	(15,38,06,162)	(8,88,55,679)
Cash Flow from financing activities		
Proceeds of issuance of share capital	-	3,19,20,000
Proceeds of securities premium on issuance of share capital	-	4,46,88,000
Proceeds of capital subsidy received	30,00,000	-
Proceeds from long term borrowings	10,13,75,871	-
Repayment of long term borrowings	-	(3,55,66,472)
Proceeds from short term borrowings	-	5,45,18,725
Proceeds from short term borrowings	2,81,70,298	-
Interest paid	(2,64,53,116)	(2,54,06,915)
Share issue expenses	-	(40,34,996)
Cash flow from financing activities	10,60,93,054	6,61,18,343
Components of cash and cash equivalents		
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENT	2,37,64,182	5,81,073
Opening Cash Equivalents	32,08,420	26,27,345
Cash on hand	23,15,413	23,99,594
Cheques/drafts on hand With banks; in current accounts	2,46,57,189	8,08,826
Total cash and cash equivalents	2,69,72,602	32,08,420

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

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

Anil Choudhary
Managing Director
DIN 00017913

Ranjana Choudhary
Whole Time Director
DIN 03349699

Ravindra Choudhary
Chief Executive Officer

Abhishek Jain
Chief Financial Officer

Megha Parmar
Company Secretary
M.No. ACS 37111

Place: Indore
Date: 26.05.2018

As per our report of even date
For **Gupta & Ashok**
Chartered Accountants
Firm Reg. No. 002254C

CA Ashok Agrawal
Partner
M.No. 071274

COMMERCIALSYN BAGS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018
1 Corporate Information

Commercial Syn Bags Limited (the "Company") is a public limited company domiciled in India with its registered office located at 'Commercial House', 3-4 Jaora Compound, MYH Road, Indore [M.P.] The company was incorporated on 10th December, 1984. The company is listed on BSE SME Exchange. The company is the manufacturer and exporters of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging. The company has installed the solar power generating system at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist Mandsaur for generation of electricity for captive consumption in its own manufacturing units. The company has undertaken trading of granules (DCA cum consignment stockiest) of ONGC Petro additions Limited (OPaL).

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

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

Retirements Benefits
1. Provident Fund & ESIC.

Periodical Contributions charged as expenses.

2. Gratuity

The Company is under the Group Gratuity Scheme of Life Insurance Corporation of India. The company accounts on cash basis for gratuity equivalent to the contribution paid to fund and gratuity is directly paid to any employee from that fund. Provision is made for any shortfall in the contribution to fund or gratuity payable to any employee at the Balance-Sheet Date.

3. Leave Encashment

Leave encashment is accounted for on payment basis. Company compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

Export Benefits

Export benefit on export sales are accounted for on accrual basis

Foreign Currencies Transaction

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

Excise Duty/GST

Liability for excise duty in respect of goods manufactured by the company is accounted upon completion of manufacture and provision is made for excisable manufactured goods lying in stock. However after the implementaion of GST, no provision was made for GST on manufactured goods lying in stock.

VAT/GST

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

Tangible fixed assets

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

Depreciation and amortisation

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

Borrowing costs

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

Impairment of assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to

Profit and Loss Account in the year in which an asset is identified as impaired.

Inventories

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

Use of Estimates

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

Revenue recognition

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

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

Income Taxes

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

Provisions

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

Contingent Liabilities and Contingent Assets

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

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term (three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value. Other bank balances comprising of balance with bank held as margin money & interest accrued thereon have maturity of more than three months as at reporting date.

Government Grants

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

3. Share Capital

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

	31.03.2018	31.03.2017
	₹	₹
(a) Authorised :-		
13,00,00,000 Equity Shares of ₹10/- each	13,00,00,000	13,00,00,000
(Previous year 13,00,00,000 Equity Shares of ₹ 10/-each)	13,00,00,000	13,00,00,000
(b) Issued and Subscribed :-		
1,18,17,400 equity shares of ₹10/- each	11,81,74,000	11,81,74,000
(Previous year 1,18,17,400 Equity Shares)	11,81,74,000	11,81,74,000

	31.03.2018	31.03.2017
	₹	₹
(c) Fully Paid up Capital :-		
1,18,17,400 equity shares of ₹10/- each	11,81,74,000	11,81,74,000
(Previous year 1,18,17,400 Equity Shares)	11,81,74,000	11,81,74,000
Total paid up capital	11,81,74,000	11,81,74,000

(d) Shares held by shareholder holding more than 5% share in the company	31.03.2018		31.03.2017	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity				
Pradeep Kumar Agrawal	8,71,560	7.38	8,71,560	7.38
Super Sack Pvt Ltd	31,14,000	26.35	31,14,000	26.35

(e) Reconciliation of outstanding shares at the beginning and at the end of the reporting period	31.03.2018		31.03.2017	
	No. of shares	₹	No. of shares	₹
(i) at the beginning of the period	1,18,17,400	11,81,74,000	86,25,400	8,62,54,000
(iii) Shares allotted/issued	-	-	31,92,000	3,19,20,000
(iv) Outstanding at the end of the period	1,18,17,400	11,81,74,000	1,18,17,400	11,81,74,000

(f) Terms/rights attached to equity shares :

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

(g) Bonus Shares

The company has allotted 64,69,050 fully paid up Equity Shares of face value of ₹ 10/ each during the financial year 2015-2016 pursuant to the bonus issue approved by the shareholders at their Extraordinary General Meeting held on 15th March, 2016 in the ratio of 3 equity shares for every 1 Equity Share held on record date. The record date fixed by the Board of Directors for issue of Bonus Shares was 15th March, 2016. Except this the Company has not made any allotment of shares as Bonus Shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

4	Reserves and Surplus	31.03.2018	31.03.2017
		₹	₹
	Capital Reserve		
	Opening Balance	1,18,80,700	1,18,80,700
	Capital subsidy received during the year	30,00,000	-
	Closing Balance	1,48,80,700	1,18,80,700
	Security Premium Reserve		
	Opening Balance	4,06,53,004	-
	Add: Premium on shares issued during the year	-	4,46,88,000
	Less: Utilised during the year for:		
	Writing off shares issue expenses	-	40,34,996
	Closing balance	4,06,53,004	4,06,53,004
	General Reserve		
	Opening Balance	10,88,344	10,88,344
	Closing balance	10,88,344	10,88,344
	Surplus(deficit) in the statement of Profit & Loss		
	Balance as per last financial statement	24,23,88,256	18,92,19,716
	Profit(loss) during the year	6,15,92,802	5,31,70,551
	Less: Appropriations		
	Prior Period Taxations	-	2,010
	Net surplus in the statement of profit and loss	30,39,81,058	24,23,88,256
	Total Reserves and Surplus	36,06,03,106	29,60,10,304

5.	Long-term borrowings	Non-current portion		Current maturities	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
		₹	₹	₹	₹
	<u>Term loans</u>				
	From Banks				
	secured	12,86,50,708	3,39,54,793	2,46,57,886	1,82,45,941
	<u>Loans and advances from related parties</u>				
	unsecured	58,46,144	54,03,369	-	-
	<u>Other loans and advances</u>				
	unsecured	1,39,82,046	1,41,56,809	-	-
		14,84,78,898	5,35,14,971	2,46,57,886	1,82,45,941
	The above amount includes:				
	secured borrowings	12,86,50,708	3,39,54,793	2,46,57,886	1,82,45,941
	unsecured borrowings	1,98,28,190	1,95,60,178	-	-
	Amount disclosed under the head current liabilities	-	-	2,46,57,886	1,82,45,941
	Net Amount	14,84,78,898	5,35,14,971	-	-

Term loans from Bank of India (balance ₹ 10,69,82,649) and working capital loan is secured by exclusive charge by way of hypothecation of entire stock of inventory, receivable, bills and other chargeable current assets of the company, both present and future, lying at business place at factory location or elsewhere and for cash credit SEZ Unit exclusive charge by way of hypothecation of entire stock of inventory, receivables, bills and other chargeable current assets of the Company, both present and future lying at business place at factory location or elsewhere. Also secured by first charge over fixed assets of the company including factory land and building situated at S-4/3, S-4/2 and S-4/3A Pithampur, Sector I, Dist. Dhar on unit No.I and also secured by first charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also secured by exclusive charge by way of EQM over company's staff quarters situated at plot No. 40 to 45, Shalimar Residency, Mhow, Dist. Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and exclusive charge by way of EQM over company's factory building (SEZ Unit constructed on Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and further secured by exclusive charge by way of hypothecation over company's SEZ Unit's Plant and Machineries proposed to be acquired by the company from Term Loan and exclusive charge by way of hypothecation over company's SEZ Unit's Furniture and Fixtures proposed to be acquired by the company from Term Loan and collaterally and exclusively secured by equitable mortgage of Block A and B of office premises situated at 3-4 Jaora Compound, Indore belonging to company and also collaterally secured by exclusive charge by way of EQM of leasehold plot no B-18 at Special Economic Zone, Phase-I, Pithampur, District Dhar (Indore) MP admeasuring 3825.70 square meter allotted by MP Audyogik Kendra Vikas Nigam (Indore) Limited (MPAKVN) to the company and colleterally secured by second charge over Fixed Assets of the company including Factory Land and Building situated at S-4/3, S-4/2 and S-4/3A, Pithampur, Sector - 1, District Dhar on Unit - I and exclusive second charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also by exclusive second charge by way of EQM over company's staff quarters situated at Plot No. 40 to 45, Shalimar Residency, Mhow Dist Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) building and hypothecation on Plant and Machineries, Furniture and Fixtures situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur Dist Dhar M.P. Term loans and working capital loans are also personally guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Shri Pradeep Kumar Agrawal, Shri Shambhu Dayal Garg and Shri Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Term loan from Bank of Baroda (balance ₹ 4,35,97,074) and working capital is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters, situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar Regd. A-1/1930 dated 17/09/09 standing in the name of company and hypothecation of entire machinery, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at the above mentioned factories, present and future. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.) and Factory Building constructed thereon and standing in the name of the company and hypothecation of entire machineries, electrical installations, furniture & fixtures, office equipments and other movable fixed assets of the company, situated at the abovementioned factories present and future. The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7,800 sq ft (724.91 sq m) and Building to be constructed thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the abovementioned factories, present and future. The loan is further secured by exclusive 1st Charge by way of hypothecation of entire machineries, electrical installtion, furniture and fixtures, office equipments and other movable fixed assets of the company situated at the above mentioned factories present and future. Exclusive 1st charge by way of hypothecation of entire machineries, electrical installations, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future. The loan is further secured by exclusive 1st charge by way of hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book-debts of the company (Unit - II & Unit - III), both present and future. The term loan and working capital is guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Bank of India Term Loan (Balance ₹ 16,30,268) is secured by hypothecation of one Skoda Octavia car. The principal amount is repayable in 84 monthly installments of varying amounts from ₹ 17,263 to ₹ 34,667. Last installment is payable in Feb 2023. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 2,18,247) is secured by hypothecation of one Maruti Omni Ambulance. The principal amount is repayable in 60 monthly installments of varying amounts from ₹ 3,795 to ₹ 6,212. Last installment is payable in August 2021. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 3,45,152) is secured by hypothecation of one Mahindra Bolero Maxi Truck Plus. The principal amount is repayable in 84 monthly installments of varying amounts from ₹ 3,436 to ₹ 6,882. Last installment is payable in August 2023. There is no continuing default in repayment of loan or interest.

Bank of India Term Loan (Balance ₹ 5,35,203) is secured by hypothecation of one Maruti Vitara Brezza car. The principal amount is repayable in 60 monthly installments of varying amounts from ₹ 9,185 to ₹ 14,487. Last installment is payable in November 2021. There is no continuing default in repayment of loan or interest.

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

Particulars of Term Loan from Bank of India (Balance ₹ 10,69,82,649)

Term loan No. I from Bank of India (balance on 31-03-18 ₹ 38,00,000 is repayable from Dec 13 comprising of first 6 installments of ₹ 8.00 Lakhs each and remaining 16 installments of ₹ 9.50 Lakhs each. Term loan No. II from Bank of India (balance on 31-03-18 ₹ 10,31,82,649) is repayable in quarterly installments comprising first 7 installments of ₹ 60.00 Lakhs each, next 16 instalments of ₹ 76.00 Lakhs each and the remaining 3 installments of ₹ 88.00 Lakhs each commencing from March, 2018

Particulars of Term Loan from Bank of Baroda (Balance ₹ 4,35,97,074)

Term Loan I from Bank of Baroda (Balance on 31-03-18 ₹ 24,99,610) is repayable in 22 quarterly installments being first 12 installment of ₹ 1.75 Lakhs each, 9 installment of ₹ 9.90 Lakhs & Last installment of ₹ 5.90 Lakhs each. Term Loan II from Bank of Baroda (Balance on 31-03-18 ₹ 1,09,72,952) is repayable in 28 quarterly installments being first 5 installments of ₹ 4.50 Lakhs each, 8 installments of ₹ 6.75 Lakhs each, 8 installments of ₹ 9.00 Lakhs each, 4 installments of ₹ 10.125 Lakhs each and last 3 quaterely installments of ₹ 12.00 Lakhs each commencing from 28th Feb, 2015. Term Loan III from Bank of Baroda (Balance on 31-03-18 ₹ 1,89,84,039) is repayable in 7 years including 15 months moratorium period with 23 graded quarterly installments commencing after initial moratorium of 15 months from the date of 1st disbursement. The repayment will be in 4 quarterly installments of ₹ 4.06 Lakhs each, 4 quarterly installments of ₹ 8.13 Lakhs each, 4 quarterly installments of ₹ 12.19 Lakhs each, 4 quarterly installments of ₹ 20.31 Lakhs each, 4 quarterly installments of ₹ 20.31 Lakhs each and 3 quarterly installments of ₹ 21.67 Lakhs each commencing from 31st December 2016). Term Loan (Solar) from Bank of Baroda (Balance on 31-03-18 ₹ 1,11,40,473) is repayable in 10 years including 6 months moratorium period with 38 graded quarterly installments commencing from 31st July, 2017. The repayment will be in 3 quarterly installments of ₹ 5.60 Lakhs each, 4 quarterly installments of ₹ 6.30 Lakhs each, 4 quarterly installments of ₹ 7.35 Lakhs each, 4 quarterly installments of ₹ 8.93 Lakhs each, 4 quarterly installments of ₹ 10.50 Lakhs each, 4 quarterly installments of ₹ 12.08 Lakhs each, 4 quarterly installments of ₹ 13.65 Lakhs each, 4 quarterly installments of ₹ 14.70 Lakhs each, 4 quarterly installments of ₹ 14.70 Lakhs each and 3 quarterly installments of ₹ 16.80 Lakhs each, last installment is payable on 31st October, 2026.

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

6	Deferred tax liabilities/assets (net)	31.03.2018	31.03.2017
		₹	₹
	Deferred tax liability		
	Timing difference on account of		
	Depreciation	(2,86,36,011)	(2,70,63,131)
	Others	0	0
		(2,86,36,011)	(2,70,63,131)
	Deferred tax asset		
	Timing difference on account of		
	Expenses allowable on payment basis	0	14,05,462
		(2,86,36,011)	14,05,462
	Net Deferred Tax	(2,86,36,011)	(2,56,57,669)
7	Short term borrowings	31.03.2018	31.03.2017
		₹	₹
	Loans repayable on demand		
	Cash Credit Loan from Bank of Baroda (Unit II)	3,14,82,190	4,05,55,373
	Cash Credit/EPC Loans from Bank of India (Unit - I)	17,85,77,047	15,30,31,551
	Cash Credit HDFC Bank Ltd (Trading Segment)	1,16,97,985	-
		22,17,57,222	19,35,86,924
	The above amount includes:		
	Secured borrowings	22,17,57,222	19,35,86,924
		22,17,57,222	19,35,86,924

Working Capital Loan from Bank of India (balance ₹ 17,85,77,047) is also secured together with term loan (balance ₹ 10,69,82,649 as mentioned in Note No. 5) by exclusive charge by way of hypothecation of entire stock of inventory, receivable, bills and other chargeable current assets of the company, both present and future, lying at business place at factory location or elsewhere and for cash credit SEZ Unit exclusive charge by way of hypothecation of entire stock of inventory, receivables, bills and other chargeable current assets of the Company, both present and future lying at business place at factory location or elsewhere. Also secured by first charge over fixed assets of the company including factory land and building situated at S-4/3, S-4/2 and S-4/3A Pithampur, Sector I, Dist. Dhar on unit No. I and also secured by first charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also secured by exclusive charge by way of EQM over company's staff quarters situated at plot No. 40 to 45, Shalimar Residency, Mhow, Dist. Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and exclusive charge by way of EQM over company's factory building (SEZ Unit constructed on Plot No. 15, 16 and 17 Special Economic Zone, Pithampur, District Dhar (MP) and further secured by exclusive charge by way of hypothecation over company's SEZ Unit's Plant and Machineries proposed to be acquired by the company from Term Loan and exclusive charge by way of hypothecation over company's SEZ Unit's Furniture and Fixtures proposed to be acquired by the company from Term Loan and collaterally and exclusively secured by equitable mortgage of Block A and B of office premises situated at 3-4 Jaora Compound, Indore belonging to company and also collaterally secured by exclusive charge by way of EQM of leasehold plot no B-18 at Special Economic Zone, Phase-I, Pithampur, District Dhar (Indore) MP admeasuring 3825.70 square meter allotted by MP Audyogik Kendra Vikas Nigam (Indore) Limited (MPAKVN) to the company and collaterally secured by second charge over Fixed Assets of the company including Factory Land and Building situated at S-4/3, S-4/2 and S-4/3A, Pithampur, Sector - 1, District Dhar on Unit - I and exclusive second charge by way of hypothecation over (company's Unit - I) Plant and Machineries and other movable fixed assets of the company and also by exclusive second charge by way of EQM over company's staff quarters situated at Plot No. 40 to 45, Shalimar Residency, Mhow Dist Indore and exclusive charge by way of EQM over company's lease hold land (SEZ Unit) building and hypothecation on Plant and Machineries, Furniture and Fixtures situated at Plot No. 15, 16 and 17 Special Economic Zone, Pithampur Dist Dhar M.P. Term loans and working capital loans are also personally guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Shri Pradeep Kumar Agrawal, Shri Shambhu Dayal Garg and Shri Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Working Capital from Bank of Baroda (balance ₹ 3,14,82,190) is also secured together with term loan (balance ₹ 4,35,97,074 as mentioned in Note. No. 5) by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters, situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar Regd. A-1/1930 dated 17/09/09 standing in the name of company and hypothecation of entire machinery, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at the above mentioned factories, present and future. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.) and Factory Building constructed thereon and standing in the name of the company and hypothecation of entire machineries, electrical installations, furniture & fixtures, office equipments and other movable fixed assets of the company, situated at the abovementioned factories present and future. The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building to be constructed thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the abovementioned factories, present and future. The loan is further secured by exclusive 1st Charge by way of hypothecation of entire machineries, electrical installation, furniture and fixtures, office equipments and other movable fixed assets of the company situated at the above mentioned factories present and future. Exclusive 1st charge by way of hypothecation of entire machineries, electrical installations, furniture and fixtures, office equipments and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future. The loan is further secured by exclusive 1st charge by way of hypothecation of entire raw materials, stock in process, stores and spares, packing materials, finished goods and book-debts of the company (Unit - II & Unit - III), both present and future. The term loan and working capital is guaranteed by Shri Anil Choudhary (MD), Smt. Ranjana Choudhary, Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal and Corporate Guarantee of Super Sack Private Limited.

Working Capital from HDFC Bank Limited (balance ₹ 1,16,97,985 is primarily secured by all the stock and book debts of Trading Division and collaterally secured by Equitable Mortgage of Plot No. S-4/1, Industrial Area, Pithampur, Sector - I, Dhar. The loan is further secured by personal guarantee of Mr. Anil Choudhary and Mrs. Ranjana Choudhary, Directors of the company

The company has provided performance guarantee for 3 years to The Mission Director UP Skill Development Society, Lucknow for R 62,50,000 from Bank of India. This performance guarantee is provided as per the condition of skill development project under DDU-GKY. This performance guarantee is issued against the lien of Fixed Deposit Receipt (Account No. 880045110012462) of ₹ 62,50,000 made with Bank of India.

8	Trade Payables	31.03.2018	31.03.2017
		₹	₹
	Total outstanding dues of micro enterprises and small enterprises	0	0
	Total outstanding dues of creditors other than micro enterprises and small enterprises	9,78,63,329	8,89,28,058
		9,78,63,329	8,89,28,058
9	Other Current liabilities	31.03.2018	31.03.2017
		₹	₹
	Current maturities of long term debt	2,46,57,886	1,82,45,941
	Interest accrued but not due on borrowings	2,28,518	2,54,812
	Outstanding liability for payables	3,12,11,187	2,69,69,242
	T.D.S./T.C.S. Payable	10,36,447	5,16,670
	UPSKILL Development DDUGKY	2,46,47,631	-
	Creditors for Capital Goods	4,17,58,733	6,43,05,467
	Advances from Customers	61,08,469	4,78,16,280
	Employees Security Deposit	5,66,575	3,76,488
		13,02,15,445	15,84,84,900
10	Short term provisions	31.03.2018	31.03.2017
		₹	₹
	Provision for employee benefits		
	for gratuity	32,40,098	42,50,861
	for loss on forward contracts in foreign exchange	8,78,643	-
	Others:		
	for Excise Duty on Closing Stock.	-	24,34,960
	for income tax (net of Advance Tax & TDS/TCS)	95,06,445	-
	[Advance Tax & TDS/TCS ₹ 15710558]		
		1,36,25,186	66,85,821

11. Fixed Assets:

Amount in ₹

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2017	Addition	Sales/ Adjustment	As at 31.03.2018	Upto 31.03.2017	For the year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
A. OWNED ASSETS									
Site Development	2,61,777			2,61,777	81,350	6,893	88,243	1,73,534	1,80,427
Factory Building	11,85,98,043			11,85,98,043	1,64,08,546	36,96,788	2,01,05,334	9,84,92,708	10,21,89,497
(Building Demolished)	48,12,600		48,12,600	-	3,32,751	(3,32,751)	-	-	44,79,849
Office Building	4,03,029			4,03,029	1,66,300	6,215	1,72,515	2,30,514	2,36,729
Plant and Machinery	32,20,72,528	1,17,04,699	33,01,547	33,04,75,680	12,95,54,348	3,25,75,670	16,21,30,018	16,83,45,662	19,25,18,180
Plant and Machinery (sold during the year)	10,72,382		10,72,382		10,18,763	(10,18,763)			53,619
Furniture & Fixtures	59,47,318	23,04,164		82,51,482	22,82,734	6,65,463	29,48,197	53,03,285	36,64,584
Computer	42,69,707	5,73,989		48,43,696	33,79,123	4,46,812	38,25,935	10,17,761	8,90,584
Vehicles	1,40,39,270	44,322		1,40,83,592	55,06,190	17,07,422	72,13,613	68,69,979	85,33,080
Vehicles (sold during the year)	2,18,000		2,18,000	-	72,059	213	-	-	1,45,941
Equipments	6,60,075	10,68,264		17,28,339	5,93,661	67,945	6,61,607	10,66,732	66,414
Freehold Land	23,33,369	-		23,33,369	-		-	23,33,369	23,33,369
Building	1,49,62,816			1,49,62,816	3,35,570	2,36,911	5,72,481	1,43,90,335	1,46,27,246
[other than Factory Building]									
Total (A)	48,96,50,913	1,56,95,438	94,04,529	49,59,41,822	15,97,31,396	3,94,10,333	19,77,17,942	29,82,23,879	32,99,19,518
Previous Year	41,78,84,657	7,94,53,497	76,87,241	48,96,50,913	12,58,68,631	3,53,78,744	15,97,31,396	32,99,19,518	29,20,16,026
B. LEASED ASSETS									
Lease Hold Land	2,04,54,361	-	-	2,04,54,361	31,67,051	6,74,388	38,41,439	1,66,12,922	1,72,87,310
Total (B)	2,04,54,361	-	-	2,04,54,361	31,67,051	6,74,388	38,41,439	1,66,12,922	1,72,87,310
Previous Year	1,65,71,341	38,83,020	-	2,04,54,361	24,92,662	6,74,388	31,67,051	1,72,87,310	1,40,78,679
Total (A) + (B)	51,01,05,274	1,56,95,438	94,04,529	51,63,96,183	16,28,98,446	4,00,84,721	20,15,59,381	31,48,36,802	34,72,06,828
Previous Year (A) + (B)	43,44,55,998	8,33,36,517	76,87,241	51,01,05,274	12,83,61,293	3,60,53,132	16,28,98,446	34,72,06,828	30,60,94,705
Capital Work in Progress	1,04,09,000	14,73,70,590	12,15,005	15,65,64,585	-	-	-	15,65,64,585	1,04,09,000
Previous Year	-	1,04,09,000	-	1,04,09,000	-	-	-	1,04,09,000	-

12	Other loans and advances	31.03.2018	31.03.2017
		₹	₹
	Balance with Govt. authorities	1,21,11,888	1,05,08,278
	Total	1,21,11,888	1,05,08,278

13	Other non-current assets	31.03.2018	31.03.2017
		₹	₹
	(i) Other then long term trade receivable		
	Income Tax Appeal(1994-95)	2,15,074	2,15,074
	Total	2,15,074	2,15,074

14	INVENTORIES	31.03.2018	31.03.2017
		₹	₹
	Valued at lower of cost and net realisable value except wastage which is valued at net realisable value		
	Raw Materials	6,97,16,139	4,84,54,261
	Work-in-progress	8,88,39,447	13,29,29,831
	Finished goods	3,18,51,550	2,44,65,569
	Stock in trade	23,211	23,211
	Stores and spares	1,44,42,756	1,34,93,005
	Total	20,48,73,103	21,93,65,876

Details of inventory**Raw Materials**

Plastic Granules	3,74,82,739	4,21,65,213
Master Batch	1,06,85,254	42,14,425
Fabric	1,29,08,619	-
Bopp Film	33,62,106	1,54,040
Belt	5,18,498	10,96,834
Thread / Crimpt yarn / Filler Cord	46,26,372	7,11,987
Liner	1,10,676	91,791
Filler Cord	21,875	19,971
	6,97,16,139	4,84,54,261

Work in Progress/Semi Finished Goods

Fabric (at Jobwork)	61,87,172	3,30,89,163
Fabrilated Thread	51,36,618	43,88,659
Re Process Granules	7,38,959	7,86,353
Goods in Process	5,41,14,103	8,55,07,275
U L F/LF/BSLF/BSLF-II/BELT	2,26,62,595	91,58,381
Goods in Process	8,88,39,447	13,29,29,831

Finished goods

HDPE Bags (FIBC)	2,92,30,177	2,11,20,272
HDPE Bags	4,58,214	11,74,998
Tarpauline(In SQF)	19,38,363	17,17,049
HDPE Wastage	68,714	2,93,540
Liner	1,56,082	1,59,709
	3,18,51,550	2,44,65,569

Stock in trade

Fabric (HO)	5,538	5,538
Bags	788	788
Fabrics (as such)	16,885	16,885
	23,211	23,211

Stores and Spares

Printing Ink	15,21,329	13,44,765
Thinner	1,46,856	47,597
M.I.B.K	-	23,404
Ethyl Acetate	74,566	98,748
Toluene Duty Paid	11,228	-
Oil	1,05,579	38,435
Diesel	2,97,914	2,22,318
Box Strips	3,797	3,079
HDPE/PP Rope	1,242	31,686
Butanol	18,796	16,875
Plant Maintenance (Spare Parts)	1,22,61,448	1,16,66,099
	1,44,42,756	1,34,93,005

15	TRADE RECEIVABLES	31.03.2018	31.03.2017
		₹	₹
	<u>Trade receivables outstanding for a period exceeding six months from they were due for payment</u>		
	(a) Unsecured, considered good	1,25,21,209	89,30,907
		1,25,21,209	89,30,907
	<u>Other Trade receivables</u>		
	(a) Unsecured, considered good	21,82,15,049	14,60,31,814
		21,82,15,049	14,60,31,814
	Total	23,07,36,258	15,49,62,721

16	CASH AND CASH EQUIVALENTS	31.03.2018	31.03.2017
		₹	₹
	Cash on hand	23,15,413	23,99,594
	Balances with banks		
	in current accounts	2,46,57,189	8,08,826
	Balances with bank held as margin money	2,33,52,707	4,90,40,669
	Interest accrued on term deposits with bank held as margin money	38,76,692	11,51,898
		5,42,02,001	5,34,00,987

Out of above balance of ₹ NIL (P.Y. ₹ NIL) are with more than twelve months maturity

17	SHORT TERM LOANS AND ADVANCES	31.03.2018	31.03.2017
		₹	₹
	<u>Loans and advances to employees</u>		
	Unsecured, considered good	2,22,745	2,95,381
		2,22,745	2,95,381
	GST / Excise Duty Recoverable	4,63,85,444	63,47,301
	Excise Duty Recoverable on Capital Goods	-	8,86,916
	Income Tax Refundable	20,36,060	21,10,843
	Export Benefits Receivable	2,15,49,532	2,04,50,111
	VAT Refund Claim	41,32,262	49,76,684
	VAT Trading	48,329	-
	VAT receivable	8,20,750	27,82,855
	Advance duty Deposit	38,819	-
	Entry Tax Receivable	-	4,09,474
	IGST Refund	88,64,252	-
	SGST Refund	13,39,417	-
	Prepaid Expenses	17,35,851	19,69,944
	<u>Others</u>		
	Unsecured, considered good	5,49,54,797	9,25,34,732
		14,19,05,513	13,24,68,860
	Total	14,21,28,258	13,27,64,241

18	OTHER CURRENT ASSETS	31.03.2018	31.03.2017
		₹	₹
	Rebate under Excise Law Receivable	-	50,23,795
	BSE Ltd.	-	7,66,080
	Insurance Deposit	-	6,78,255
	Sales Tax Subsidy	36,85,229	45,93,137
	Gain on Forward Contracts	-	11,48,377
		36,85,229	1,22,09,644
		36,85,229	1,22,09,644
19	REVENUE FROM OPERATIONS	31.03.2018	31.03.2017
		₹	₹
	Finished goods	1,53,13,49,389	1,22,09,45,139
	Traded good	14,68,70,122	88,48,241
	Commission Received	63,65,187	-
	Other Operating Revenues	36,99,925	1,10,17,427
	Total	1,68,82,84,623	1,24,08,10,808
	Less: Excise Duty	81,87,265	5,06,63,400
	Less: GST	7,03,72,568	-
		1,60,97,24,790	1,19,01,47,408

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

Sale of HDPE/PP Tarpauline	In Sqft	9,43,46,602	8,06,65,710
Sale of HDPE/PP Bags	In Nos	7,13,84,838	4,34,88,296
Sale of ULF/LF/BSLF/BSLF-II/BELT	In Nos	7,46,40,475	8,16,30,286
Sale of HDPE/PP Bags (FIBC)	In Nos	1,13,24,773	7,31,629
Sale of HDPE/PP Wastage	In Kgs	22,52,234	27,31,017
Sale of Liner/Film	In Kgs	1,36,48,603	2,04,09,226
Sale of Fabrilated Thread	In Kgs	14,10,888	6,40,083
Sale of Filler Cord	In Kgs	-	15,411
Sale of RP Granules	In Kgs	36,49,993	20,86,099
Sale of Flexible Pouch	In Kgs	15,04,604	-
Sale of Electricity		-	1,560
		27,41,63,010	23,23,99,317
Add : Freight on Local Sales/Rope Charges/Other Exp		25,71,743	19,46,300
		27,67,34,753	23,43,45,617

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

Fabric	In Kgs	91,91,300	1,94,61,134
F I B C Bags	In Nos	1,04,43,59,264	82,29,35,379
Bags	In Nos	7,86,90,332	6,29,07,099
Tarpauline	In Sqft	12,67,972	10,03,759
Belt	In Kgs	-	1,429
Liner/Film	In Kgs	-	3,95,346
		1,13,35,08,868	90,67,04,146
Add : Foreign Exchange Rate Difference/Freight on exp/other exp		4,30,46,331	2,95,21,330
Export Sales		1,17,65,55,199	93,62,25,476

C. Trading Sales

PP Granules	In Kgs	3,05,32,485	-
HD Granules	In Kgs	5,68,25,744	-
LD Granules	In Kgs	4,29,61,703	3,01,333
Master Batch	In Kgs	5,31,146	2,35,200
Export License		1,60,19,044	83,11,708
Trading Sales		14,68,70,122	88,48,241

D. Sales Return Manufacturing (D-3)

Bags	2,60,595	1,07,283
Tarpauline	94,722	1,82,071
Liner	1,45,079	-
	5,00,396	2,89,354
Total Sales	1,59,96,59,678	1,17,91,29,980

GST/Excise duty on sales has been reduced from sales

20 OTHER INCOME	31.03.2018	31.03.2017
	₹	₹
Interest Received	44,22,894	24,14,619
Subsidy Receivable	-	45,93,137
Export Benefit Received	15,14,536	1,26,61,659
	59,37,430	1,96,69,415

21 COST OF MATERIALS CONSUMED	31.03.2018	31.03.2017
	₹	₹
Raw Materials and components Consumed		
Opening Stock	4,84,54,261	5,53,17,201
Add : Purchases	85,91,62,698	72,55,48,877
	90,76,16,959	78,08,66,078
Less : Closing Stock	6,97,16,139	4,84,54,261
Consumption during the year	83,79,00,820	73,24,11,817

A. Purchases Of Raw Material

PP Granules (All)	51,71,65,443	43,01,58,422
HDPE Granules (All)	2,18,98,272	1,37,27,131
LD Granules (All)	10,04,11,266	8,30,24,575
Master Batch (All)	6,11,80,331	4,29,79,522
BOPP Film/Tape	86,04,773	1,02,95,675
Purchase of Tarpauline	18,72,881	-
Wastage	3,80,130	11,93,844
RP Granules	26,70,300	-
Liner	-	2,45,814
Fabric (All)	9,57,72,408	10,60,54,011
Crimpt yarn	44,29,115	41,84,247
Fabrilated Thread	3,16,71,409	2,02,09,397
HDPE/PP Belt/Tie	19,73,409	-
PPCP (RP Granules)	-	14,31,750
Filler Cord	32,00,672	15,36,338
TOTAL PURCHASE (MFG.)	85,12,30,409	71,50,40,726
Add : CST/Custom Duty/Entry Tax/Freight on purchase	79,32,289	1,22,02,933
Add : Foreign Exchange Rate Difference	-	(16,94,782)
	85,91,62,698	72,55,48,877

22	Purchases of traded goods	31.03.2018	31.03.2017
		₹	₹
	Thread	-	8,52,589
	Trading Purchase	10,24,72,804	-
	Master Batch	3,53,166	1,31,800
	PP/HD/LD/LLD Granules	2,74,83,879	2,71,779
		13,03,09,849	12,56,168

23	Changes in inventories of finished goods, work in progress and traded goods	31.03.2018	31.03.2017
		₹	₹
	Inventories at the end of the year		
	Work in Process	8,88,39,447	13,29,29,831
	Finished Goods	3,17,82,836	2,41,72,029
	Goods in Trade	23,211	23,211
	Wastage	68,714	2,93,540
	Total (A)	12,07,14,208	15,74,18,610
	Inventories at the beginning of the year		
	Work in Process	13,29,29,831	6,74,98,788
	Finished Goods	2,41,72,029	2,46,82,448
	Goods in Trade	23,211	23,211
	Wastage	2,93,540	1,62,475
	Total (B)	15,74,18,610	9,23,66,922
	Net increase/decrease Total (A-B)	(3,67,04,402)	6,50,51,688

24	EMPLOYEES BENEFIT EXPENSES	31.03.2018	31.03.2017
		₹	₹
	Salaries And Wages	8,54,02,158	7,96,48,770
	Salaries And Wages (Office)	39,00,000	30,30,000
	Salaries And Wages (Director)	30,00,000	21,00,000
	Labour Charges Contract	-	1,01,38,855
	Bonus	76,45,560	75,87,326
	House Rent Allowance	1,89,95,693	1,69,68,673
	Education Allowance	94,79,328	83,81,201
	Medical Allowance	36,35,720	24,47,071
	Gratuity	5,89,237	32,81,082
	E.S.I.C.	50,77,459	42,00,653
	Staff Welfare	11,93,448	6,39,425
	Leave Encashment	4,40,683	3,61,010
	Provident Fund	57,22,197	56,47,171
	Conveyance Allowance	95,70,760	86,28,964
	Other Allowances	2,91,305	1,88,006
	Washing Allowance	44,58,275	44,65,437
	Other Allowances	1,23,109	-
	Attendance Bonus	20,20,948	-
	Recruitment Expenses	28,126	20,000
	House Rent (Rent of employees quarter)	-	1,500
		16,15,74,006	15,77,35,144

The company makes provident fund Contributions, a defined contribution plan, for qualifying employees. It also contributes to Employees State Insurance Corporation, which is also defined contribution plan. The company recognised ₹ 57,22,197/- and ₹ 50,77,459/- respectively for PF and ESI contributions in Statement of Profit and Loss.

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

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

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March, 31 2018

	31.03.2018	31.03.2017
	₹	₹
i. Change in benefits obligations:		
Project benefit obligation at the beginning of the year	57,55,535	29,39,526
Service cost	25,35,246	32,08,582
Interest cost	4,60,443	3,43,923
Actuarial (Gain) Loss	(26,95,932)	(400)
Benefits paid	(2,34,001)	(7,36,096)
Project benefit obligation at the end of the year	58,21,291	57,55,535
ii. Change in plan assets:		
Fair value of plan assets at the beginning of the year	11,04,675	13,20,274
Expected returns on the plan assets	1,33,410	80,139
Employer's contributions	15,77,110	4,40,357
Benefits paid	(2,34,001)	(7,36,096)
Actuarial gain(loss)	-	-
Fair value of the plan assets at the end of the year	25,81,193	11,04,675
iii. Net gratuity and other cost:		
Service cost	25,35,246	32,08,582
Interest on defined benefit obligation	4,60,443	3,43,923
Expected return on plan assets	(1,33,410)	(2,80,667)
Net Actuarial (gain)/ losses recognised in the year	(26,95,932)	(400)
Net gratuity and other cost	1,66,347	32,71,438
Actual return on plan assets	1,33,410	2,80,667
iv. Category of assets:		
Insurer managed funds	Not disclosed by the insurer	
v. Assumptions used in accounting for gratuity plan:		
Discount rate	8.00%	8.00%
Salary Escalation Rate	7.00%	7.00%
Expected rate of return on plan assets	Not disclosed by the insurer	

25 FINANCE COST	31.03.2018	31.03.2017
	₹	₹
Interest to Bank	1,18,81,295	1,00,54,578
Bank Charges	60,71,106	83,75,544
Interest on Term Loan	29,07,533	19,83,034
Interest on FBP	33,60,904	20,22,143
Interest on Buyer's Credit	7,46,412	6,80,629
Interest on unsecured loan	11,76,535	9,09,597
Interest to Others	3,09,331	13,81,390
	2,64,53,116	2,54,06,915

26 Depreciation and amortisation	31.03.2018	31.03.2017
	₹	₹
On tangible assets	4,00,84,721	3,60,53,132
	-	-
	4,00,84,721	3,60,53,132

27 OTHER EXPENSES	31.03.2018	31.03.2017
	₹	₹
Advertisement & Publicity	12,250	1,01,095
Conveyance Expenses	9,80,621	45,25,591
Designing Charges	19,500	-
Director's Sitting Fees	44,000	66,000
Advance License Fees	8,43,106	6,14,922
CSR Expenditure	2,89,179	2,06,617
State Taxes	25,11,466	47,21,817
Factory Licence Expenses	1,29,956	46,057
Freight Expenses	7,93,09,858	5,95,66,551
Weaving Charges	2,11,30,682	71,13,339
GST Paid / Service tax / Excise Expenses	7,92,687	-
Insurance Expenses	54,18,392	36,73,352
Internet Expenses	3,30,000	3,30,000
Legal & Professional Charges	29,73,934	38,59,629
Loss on sale of Plant and Machinery	85,728	-
Loss on sale of vehicle	(1,46,381)	(36,724)
Membership Fees & Subscription	3,16,880	2,19,362
Miscellaneous Expenses	42,93,311	43,49,319
Penalty for SEZ	47,609	-
Newspaper & Periodicals	6,480	6,529
Postage & Courier	22,61,787	17,10,542
Power & Fuel	5,29,94,609	5,58,50,949
Bags Making Charges	7,01,01,807	5,63,76,709
Tarpaulin Making Charges	10,96,077	-
Repairs & Maintenance		
Plant & Machinery	2,66,08,903	2,33,53,202
Computer	2,17,945	3,50,908
Others	8,53,553	18,38,906
Rebate, Shortage & Rate Diff.	13,32,236	(22,29,542)
Loss on Factory Building Demolition	44,19,429	52,48,746
Rent,Rates & Taxes	20,92,119	9,80,093
Cash Discount	(36,436)	(1,74,404)

	31.03.2018	31.03.2017
	₹	₹
Packing & Forwarding Expenses	79,55,348	46,39,260
Sales Promotion & Entertainment	16,36,994	18,43,975
Commission	5,70,460	-
Stationary & Printing	11,85,694	10,10,614
Swachh bharat Cess	4,836	-
Telephone & Communication Expenses	5,57,820	8,02,987
Travelling by Directors	16,70,850	4,75,354
Travelling by Others	28,50,490	30,63,876
Vehicle Running & Maintainance	10,46,515	9,48,523
Foreign Exchange Hedging Loss/(Gain)	(61,79,146)	(22,63,274)
Water & Light Charges	13,51,280	27,53,552
Warehousing Charges (Rent)	11,85,000	1,70,000
Excise Duty on Inventory(Net)	(24,38,661)	(63,418)
Payment to auditors:		
As auditors		
Audit fee	85,000	70,000
Certification fees	1,500	-
	29,28,15,269	24,61,21,012

28 EARNING PER SHARE	31.03.2018	31.03.2017
	₹	₹
Calculation of Basic and Diluted EPS:		
Profit(loss) after tax	6,15,92,802	5,31,70,551
Less: Dividend on preference shares and tax thereon		
Net Profit (loss) for calculation of basic EPS	6,15,92,802	5,31,70,551
Weighted average number of equity shares	1,18,17,400	1,09,25,389
Basic EPS	5.21	4.87
Calculation of Diluted EPS:		
Profit(loss) after tax	6,15,92,802	5,31,70,551
Less: Dividend on non convertible preference shares		
Add: Interest on convertible bonds (net of tax)		
	6,15,92,802	5,31,70,551
Weighted average number of equity shares	1,18,17,400	1,09,25,389
Diluted EPS	5.21	4.87

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

30 Contingent Liabilities	31.03.2018	31.03.2017
	₹	₹
Guarantees	1,07,82,594	45,32,594
other money for which the company is contingently liable		
(I) In respect of Income Tax/TDS	1,99,220	3,15,320
(II) In respect of Sales Tax	-	2,47,162
(II) In respect of Customs/Excise Matters	-	2,31,048
	1,09,81,814	53,26,124

31 Commitments to the extent not provided for ₹ 588.34 Lakhs (Previous Year ₹ 1293.42 Lakhs)

32 CIF Value of Import	31.03.2018	31.03.2017
	₹	₹
Raw Materials	5,83,95,976	11,12,78,661
Components and spare parts	3,24,364	2,34,835
Capital Goods	83,61,010	2,89,97,352
	6,70,81,350	14,05,10,848

33 Expenditure in foreign currency	31.03.2018	31.03.2017
	₹	₹
Commission	70,210	-
Testing Charges	8,80,270	3,22,456
	9,50,480	3,22,456

34 The value of consumption of directly imported & indigenously obtained Raw Materials, Spare parts & components & the percentage of each to the total consumption :-	31.03.2018		31.03.2017	
	₹	%	₹	%
Raw Materials				
A. Directly imported	5,83,95,976	6.97%	11,12,78,661	15.19%
B. Indigenously obtained	77,95,04,844	93.03%	62,11,33,157	84.81%
Total	83,79,00,820	100.00%	73,24,11,817	100.00%
Spare parts and components				
A. Directly imported	3,24,364	1.22%	2,34,835	1.01%
B. Indigenously obtained	2,62,84,539	98.78%	2,31,18,367	98.99%
Total	2,66,08,903	100.00%	2,33,53,202	100.00%

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

36 Earning in foreign exchange	31.03.2018	31.03.2017
	₹	₹
(a) Export of goods calculated on FOB basis	1,17,65,55,199	95,52,17,272
	1,17,65,55,199	95,52,17,272

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

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

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

- the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.
- the amount of interest paid by the buyer in terms of section 16 of The Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.
- the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and
- the amount of further interest, remaining due and payable even in the succeeding years, untill such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

40 Segment Reporting

a) Primary Segment (by Business Segment):

Based on the guiding principles given in Accounting Standards on Segment Reporting (AS - 17) the company is primarily in the business of manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging which mainly have similar risk and returns. The company has undertaken Trading of Granules (DCA cum Consignment Stockiest) segment during the year under review. The company has identified following segments as Reportable Business Segments:

01. Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging

02. Trading of Granules

(₹ in Lakhs)

	Manufacturing Segment	Trading of Granules Segment	Consolidated Total
	Current Year ended on 31.03.2018	Current Year ended on 31.03.2018	Current Year ended on 31.03.2018
REVENUE			
Sales	14975.58	1121.67	16097.25
RESULT			
Segment result	1101.77	60.96	1162.73
Unallocated corporate expenses	-	-	-
Operating Profit	1101.77	60.96	1162.73
Interest Expense	249.74	14.79	264.53
Interest Income	-	-	-
Income Taxes	266.92	15.35	282.27
Profit from ordinary activities	585.11	30.82	615.93
Net Profit	585.11	30.82	615.93
OTHER INFORMATION			
Segment Assets	10898.75	294.78	11193.53
Unallocated corporate assets	-	-	-
Total Assets	10898.75	294.78	11193.53
Segment Liabilities	6238.98	166.78	6405.76
Unallocated Corporate liabilities	-	-	-
Total Liabilities	6238.98	166.78	6405.76
Capital Expenditure (Carrying Amount)	6728.39	1.22	6729.61
Depreciation (Carrying Amount)	2015.35	0.24	2015.59
Capital Expenditure (Additions during the year)	1629.44	1.22	1630.66
Depreciation (For the year)	400.60	0.24	400.85
Non cash expenses other than depreciation	-	-	-

b) Secondary Segment (by Geographical demarcation)

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

ii) Information about secondary segment are as follows:

(₹ in Lakhs)

Particulars	2017-2018		2016-2017	
	In India	Outside India	In India	Outside India
Segment Revenue (Net)	4331.7	11765.55	2349.30	9552.17
Total Revenue	16097.25		11901.47	

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

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

Name of the Related Parties.

Relation	Name
Key Management Personnel	Mr. Anil Choudhary Mrs. Ranjana Choudhary Mr. Virendra Singh Pamecha Mr. Hitesh Mehta Mr. Chintan Singhvi Mr. Neetesh Gupta (resigned w.e.f. 10th May, 2017) Mr. Milind Mahajan (appointed w.e.f 10th May, 2017) Mr. Ravindra Choudhary Mr. Abhishek Jain Ms. Megha Parmar
Relatives of Key Management Personnel with whom there was transaction during the year	Mr. Pramal Choudhary Mrs. Shruti Choudhary Mrs. Parul Choudhary Mrs. Vidhya Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart M/s Gangotri Enterprises
Investing Party in respect of which the reporting enterprise is an associate	M/s Super Sack Pvt Ltd

Disclosures of transactions between the company and related parties and status of outstanding balances as on 31st March, 2018

Nature of Transactions	31.03.2018	31.03.2017
Key Managerial Personnel		
Remuneration		
Mr. Anil Choudhary	21,00,000	15,00,000
Mrs. Ranjana Choudhary	9,00,000	6,00,000
Mr. Virendra Singh Pamecha	9,65,842	8,84,208
Mr. Hitesh Mehta	24,000	30,000
Mr. Chintan Singhvi	2,000	8,000
Mr. Neetesh Gupta	2,000	28,000
Mr. Milind Mahajan	16,000	-
Mr. Ravindra Choudhary	12,00,000	6,00,000
Mr. Abhishek Jain	10,41,852	10,34,919
Ms. Megha Parmar	2,90,084	2,69,686
Rent		
Mr. Ravindra Choudhary	2,08,320	34,720
Unsecured Loan as at reporting date		
Mr. Anil Choudhary	44,24,137	40,92,063
Mrs. Ranjana Choudhary	14,22,007	13,11,306

Nature of Transactions	31.03.2018	31.03.2017
<u>Relatives of Key Management Personnel with whom there was transaction during the year</u>		
Remuneration		
Mr. Pramal Choudhary	15,00,000	13,50,000
Mrs. Shruti Choudhary	6,00,000	3,00,000
Mrs. Parul Choudhary	6,00,000	6,00,000
Rent		
Mrs. Vidhya Choudhary	4,50,000	-
<u>Enterprises over which Key Management personnel or their relatives are able to exercise significant influence</u>		
Purchase during the year		
M/s Choudhary Highway Services	26,52,597	19,35,360
M/s Page Paper Mart	68,254	1,32,460
Sales during the year		
M/s Mohra Seeds	20,07,786	19,84,467
M/s Gangotri Enterprises	2,40,950	-
<u>Investing party in respect of which the reporting enterprise in an associate</u>		
Unsecured Loan		
M/s Super Sack Pvt Ltd	57,45,000	10,00,000
Interest paid during the year		
M/s Super Sack Pvt Ltd	3,57,595	-

- 42** As regards gratuity, the Company is under the Employee Group Gratuity Scheme of the Life Insurance Corporation of India ("LIC"). However, the Company does not have a certificate either from "LIC" or any other source to the effect that the contribution so made has been worked out by a qualified actuary in accordance with AS-15 (Revised 2005). The actuarial assumption in respect of discount rate for above working used at the balance sheet date is 8%. As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.
- 43** The Company has entered into Forward Exchange Contracts, being derivatives instruments for hedge purpose and not intended for trading or speculation purpose, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables. The following are the outstanding Forward Exchange Contracts entered into by the Company:

Currency	Buy or Sell	Cross Currency	As on 31 March 2018		As on 31 March 2017	
			Expiry Date	Amt USD/EURO/GBP	Expiry Date	Amt USD / EURO / GBP
US \$	Sell	Indian Rupees	Apr-18	40,000	Apr-17	25,000
US \$	Sell	Indian Rupees	Apr-18	50,000	Apr-17	25,000
US \$	Sell	Indian Rupees	May-18	50,000	Apr-17	50,000
US \$	Sell	Indian Rupees	May-18	30,000	Apr-17	25,000
US \$	Sell	Indian Rupees	May-18	40,000	Jun-17	25,000
US \$	Sell	Indian Rupees	May-18	40,000	Jul-17	25,000
US \$	Sell	Indian Rupees	May-18	60,000		
US \$	Sell	Indian Rupees	May-18	50,000		
US \$	Sell	Indian Rupees	Jun-18	40,000		
US \$	Sell	Indian Rupees	Jun-18	50,000		
US \$	Sell	Indian Rupees	Jun-18	60,000		
US \$	Sell	Indian Rupees	Jun-18	50,000		
US \$	Sell	Indian Rupees	Jun-18	1,50,000		
US \$	Buy	Indian Rupees			Apr-17	54,060
EURO	Sell	Indian Rupees	Apr-18	50,000	Apr-17	30,000
EURO	Sell	Indian Rupees	Apr-18	50,000	Apr-17	40,000
EURO	Sell	Indian Rupees	Apr-18	50,000	May-17	30,000
EURO	Sell	Indian Rupees	Apr-18	30,000		
EURO	Sell	Indian Rupees	Apr-18	50,000		
EURO	Sell	Indian Rupees	May-18	50,000		
EURO	Sell	Indian Rupees	May-18	50,000		
EURO	Sell	Indian Rupees	May-18	50,000		
EURO	Sell	Indian Rupees	Jun-18	50,000		
EURO	Sell	Indian Rupees	Apr-18	50,000		
EURO	Sell	Indian Rupees	Apr-18	50,000		
EURO	Buy	Indian Rupees			Jul-17	40,000
GBP	Sell	Indian Rupees	Apr-18	30,000	Apr-17	20,000
GBP	Sell	Indian Rupees	Apr-18	25,000	Apr-17	20,000
GBP	Sell	Indian Rupees	Apr-18	35,000	Apr-17	25,000
GBP	Sell	Indian Rupees	May-18	25,000	Apr-17	20,000
GBP	Sell	Indian Rupees	May-18	35,000		
GBP	Sell	Indian Rupees	May-18	30,000		
GBP	Sell	Indian Rupees	Jun-18	30,000		

44 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 15.40 Lakhs (Previous Year ₹ 13.86 Lakhs). The company is having unspent amount of ₹ 29.49 Lakhs upto Previous Year 2016-2017.

(b) Expenditure related to Corporate Social Responsibility is ₹ 2.89 Lakhs (Previous Year ₹ 2.07 Lakhs)

Details of Amount spent towards CSR given below (in lakhs):

Particulars	2017-2018	2016-2017
Promotion of Education	0.21	0.415
Healthcare Measures	0.00	0.07
Animal Welfare	0.53	0.00
Environmental Sustainability	0.25	0.43
Fund set up by Central Government (PMNRF)	0.11	0.11
Eradicating Hunger and Malnutrition	0.02	0.04
Reduction of inequalities by socially and economically backward groups and upliftment of deprived underprivileged	1.51	1.00
Care of disadvantaged elderly Senior Citizens	0.15	0.00
Setting up and running of Orphanage Homes	0.11	0.00
Total Amount	2.89	2.07

45 Research & Development

The company conducts its R&D initiatives within the broad framework of innovation initiatives. The company purchased technologically upgraded Circular Loom, Stitching Machine, Ultrasonic Cutting and Sealing Machine, for its units.

As per our report of even date attached
 For **Gupta & Ashok**
 Chartered Accountants
 Firm Reg. No. 002254C

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

CA Ashok Agrawal
 Partner
 M.No. 071274

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Megha Parmar
 Company Secretary
 M.No. ACS 37111

Place: Indore
 Date: 26.05.2018

PROXY FORM**FORM MGT- 11**

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

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

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

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

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on Friday, the 7th September, 2018 at 12:15 P.M. at Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore-452008 (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions:		Nature of Resolution
1.	Adoption of Audited Financial Statements of the Company including the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss and Cash Flow for the year ended 31st March, 2018 and the Reports of the Board and Auditors thereon.	Ordinary
2.	Reappointment of Mr. Virendra Singh Pamecha (DIN: 07456367), who is liable to retire by rotation being eligible offers himself for re-appointment.	Ordinary
3.	Approval for ratification of Auditors for the year 2018-19 and authority to board for fixing of the remuneration.	Ordinary
4.	Approval pursuant to Section 196,197,203, Schedule V of the Companies Act, 2013 and rules made thereunder for revision in remuneration to Mr. Virendra Singh Pamecha, (DIN: 07456367) Whole Time Director of the company.	Special

Signed this..... day of..... 2018

.....

Signature of shareholder

Affix
Revenue
Stamp

.....

Signature of Proxy holder(s)

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

COMMERCIAL SYN BAGS LIMITED

CIN : L25202MP1984PLC002669

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

ATTENDANCE SLIP**34th Annual General Meeting of Commercial Syn Bags Limited held on Friday, 07th September, 2018
at 12:15 P.M. at Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore-452008 (M.P.)**

R.F. No. _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

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

I/We hereby record my/our presence at the 34th Annual General meeting of the Company on Friday, 7th September, 2018 at 12:15 P.M. at Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore-452008 (M.P.) .

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

.....
(Shareholders/Proxy's Signature)**Note:**

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

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

Route Map to the Venue of the AGM Hotel Shreemaya Residency

A.B. Road, Near Press Complex, Indore 452 008 (M.P.)



Devi Ahilyabai Holkar International Airport to Hotel Shreemaya Residency



Indore Railway Station to Hotel Shreemaya Residency

Mission

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

"Weaving Excellence"

If undelivered please return to :

Commercial Syn Bags Limited

CIN : L25202MP1984PLC002669

Registered Office : Commercial House,
3-4, Jaora Compound, M.Y.H. Road, Indore-452001
(Madhya Pradesh), INDIA

Tel.: 91 731 - 4279525 / 26

Email : investors@comsyn.com

Website : www.comsyn.com

