



HIPOLIN LIMITED

**TWENTY FIFTH ANNUAL REPORT
2017 - 2018**

ANNUAL REPORT 2017-2018

25th Annual Report

Board of Directors:	Shri Bhupendra J. Shah	Whole Time Director (Chairman)
	Shri Jaykumar J. Shah	Whole Time Director
	Shri Shailesh J. Shah	Managing Director
	Shri Bharat J. Shah	Whole Time Director & CFO
	Shri Subhash J. Shah	Whole time Director (upto 31.03.2018)
	Smt. Nitaben B. Shah	Independent Director
	Shri Ajay R. Gandhi	Independent Director
	Shri Umesh P. Mehta	Independent Director
	Shri Virendra B. Shah	Independent Director
	Shri Nirav D. Shah	Independent Director

Company Secretary: Ms. Apexa A. Panchal

Bankers: The Kalupur Commercial Co-operative Bank Ltd
HDFC Bank Ltd.

Auditors: M/s. Borkar & Muzumdar, Chartered Accountants, Ahmedabad.

Registered Office & Factory: A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway,
Nr Iyava Bus Stand, Via Virochannagar (P. O.) Ta. : Sanand,
Dist.: Ahmedabad-382170
Phone No.: (02717) 284202

Corporate Office: 45, "Madhuban", 4th Floor, Nr Madalpur Garnala,
Ellisbridge, Ahmedabad – 380006.
Phone No.: (079) 26447730-31

Email Id: hipolin@hipolin.com , cs@hipolin.com
csapexapanchal@gmail.com

Website: www.hipolin.com

Share Transfer Agent: Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
Tel No : +91 22 49186270 Fax: +91 22 49186060
E-mail id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

Ahmedabad Unit:

5th Floor, 506 to 508, Amarnath Business Center-I (ABC-I),
Beside Gala Business center, Nr. St. Xavier's College Corner,
Off C.G. Road, Navrangpura, Ahmedabad – 380009.
Phone No.: 079-26465179
Email Id.: ahmedabad@linkintime.co.in

HIPOLIN LIMITED

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of **HIPOLIN LIMITED** will be held at **A/1/1, Nilkanth Ind. Estate Sanand -Viramgam Highway, Near Iyava Bus Stand, Via. Virochannagar, Ta:Sanand, Dist. : Ahmedabad-382170** on **Friday, 28th September, 2018 at 2.00 p. m.** to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a Director in place of **Shri Jaykumar J. Shah** (DIN00392710), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of **Shri Bharat J. Shah** (DIN 00777734), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

4. **RE-APPOINTMENT OF SMT. NITA B. SHAH (DIN:01188437) AS AN INDEPENDENT DIRECTOR:**

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof) for the time being in force and relevant applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Smt. Nita B. Shah (DIN: 01188437), who was appointed as Director- Independent Category to hold office for a consecutive term of upto March 31, 2019 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for another term of 5 (five) consecutive years on the Board of the Company."

5. **RE-APPOINTMENT OF SHRI BHUPENDRA JAYANTILAL SHAH (DIN-00325446) AS THE WHOLE-TIME DIRECTOR (CHAIRMAN) AND FIXATION OF REMUNERATION:**

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V of the said Act and the Rules made thereunder, wherever applicable, the consent of members be and is hereby accorded, to re-appoint Shri Bhupendra Jayantilal Shah (DIN:00325446), as the Whole-Time Director (Chairman) of the Company for a period of three years w.e.f. 1st April, 2018 to 31st March, 2021 upon the terms and conditions including the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting."

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“RESOLVED FURTHER THAT the remuneration payable to Shri Bhupendra Jayantilal Shah (DIN 00325446), shall not exceed the overall ceiling of total managerial remuneration as provided under Section 197 read with Schedule V of the Act or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby severally authorized to alter, amend, vary or modify the scope and quantum of remuneration of Shri Bhupendra Jayantilal Shah (DIN:00325446), Whole-Time Director (Chairman), as they deem proper from time to time considering the nature and scope of his activities as shall be permissible and in conformity with applicable provisions of the Companies Act, 2013.”

6. RE-APPOINTMENT OF SHRI BHARAT JAYANTILAL SHAH (DIN: 00777734) AS THE WHOLE-TIME DIRECTOR AND FIXATION OF REMUNERATION:

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V of the said Act and the Rules made thereunder, wherever applicable and subject to the consent of members be and is hereby accorded, to re-appoint Shri Bharat Jayantilal Shah (DIN: 00777734), as a Whole Time Director of the Company for a period of three years w.e.f. 1st April, 2018 to 31st March, 2021 upon the terms and conditions including the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT the remuneration payable to Shri Bharat Jayantilal Shah (DIN: 00777734), shall not exceed the overall ceiling of total managerial remuneration as provided under Section 197 read with Schedule V of the Act or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby severally authorized to alter, amend, vary or modify the scope and quantum of remuneration of Shri Bharat Jayantilal Shah (DIN: 00777734), as a Whole Time Director, as they deem proper from time to time considering the nature and scope of his activities as shall be permissible and in conformity with applicable provisions of the Companies Act, 2013.”

7. RE-APPOINTMENT OF SHRI JAYKUMAR JAYANTILAL SHAH (DIN: 00392710) AS THE WHOLE-TIME DIRECTOR AND FIXATION OF REMUNERATION:

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V of the said Act and the Rules made thereunder, wherever applicable, the consent of members be and is hereby accorded, to re-appoint Shri Jaykumar Jayantilal Shah (DIN: 00392710), as a Whole Time Director of the Company for a period of three years w.e.f. 1st April, 2018 to 31st March, 2021 upon the terms and conditions including the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting,

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RESOLVED FURTHER THAT the remuneration payable to Shri Jaykumar Jayantilal Shah (DIN: 00392710), shall not exceed the overall ceiling of total managerial remuneration as provided under Section 197 read with Schedule V of the Act or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby severally authorized to alter, amend, vary or modify the scope and quantum of remuneration of Shri Jaykumar Jayantilal Shah (DIN: 00392710), as a Whole Time Director, as they deem proper from time to time considering the nature and scope of his activities as shall be permissible and in conformity with applicable provisions of the Companies Act, 2013.”

8. RE-APPOINTMENT OF SHRI SHAILESH JAYANTILAL SHAH (DIN:00777653) AS THE MANAGING DIRECTOR AND FIXATION OF REMUNERATION:

To consider and if thought fit, to pass the following Resolution, as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule V of the said Act and the Rules made thereunder, wherever applicable, the consent of members be and is hereby accorded, to re-appoint Shri Shailesh Jayantilal Shah (DIN: 00777653), as the Managing Director of the Company for a period of three years w.e.f. 1st April, 2018 to 31st March, 2021 upon the terms and conditions including the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT the remuneration payable to Shri Shailesh Jayantilal Shah (DIN: 00777653) shall not exceed the overall ceiling of total managerial remuneration as provided under Section 197 read with Schedule V of the Act or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby severally authorized to alter, amend, vary or modify the scope and quantum of remuneration of Shri Shailesh Jayantilal Shah (DIN: 00777653), as the Managing Director, as they deem proper from time to time considering the nature and scope of his activities as shall be permissible and in conformity with applicable provisions of the Companies Act, 2013.”

May 29, 2018
HIPOLIN LIMITED
CIN : L24240GJ1994PLC021719

By Order of the Board,
For HIPOLIN LIMITED,

Registered Office:
A/1/1, Nilkanth Ind. Estate,
Sanand-Viramgam Highway,
Nr. Iyava Bus Stand,
Via Virochannagar (P. O.)
Ta. : Sanand, Dist.: Ahmedabad-382170.

Apexa Panchal
Company Secretary
ACS-35725

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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT 25th ANNUAL GENERAL MEETING (“AGM” OR “meeting”) OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing proxy should, however, be deposited at the Corporate Office of the company not later than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding 50(fifty)and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. In case the proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights then such proxy cannot act as a proxy for any other person.
2. The Register of Members and Share Transfer Books of the Company will remain closed from, Saturday September 22, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of Annual General Meeting.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item No.4,5,6,7 and 8 is annexed hereto.
4. In terms of provisions of Section 125 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of 7(seven) years from the date of its transfer to the Company's Unpaid Dividend Account, is required to be transferred to the Investor Education and Protection Fund, set up by the Government of India. Kindly note that once unclaimed and unpaid dividends are transferred to the Investors Education and Protection Fund, members will have to approach to IEPF for such dividend.
5. Members holding shares in electronic form are requested to intimate any changes in their registered address, name, PAN details, etc. to their depository participants with whom they are maintaining their demat account. Members holding shares in physical form are requested to intimate any such changes to the Company or its RTA (M/s Link Intime India Pvt. Ltd.)
5. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
6. Members are requested to bring their attendance slip duly filled in along with their copy of the Annual Report to the meeting.
7. Electronic Copy of the Annual Report for 2017-18 along with the Notice of the 25th Annual General Meeting of the Company, inter-alia, including the Remote e-voting instructions, Attendance Slip and the Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members, who have not registered their email address, physical copy of the Annual Report for 2017-18 along with Notice of the 25th Annual General Meeting of the Company, inter-alia, including the Remote e-voting instructions, Attendance Slip and the Proxy Form are being sent by the permitted mode. The said notice is also displayed on the Company's website viz www.hipolin.com and on the website of the remote e-voting agency (Central Depository Services (India) Limited) i.e. www.evotingindia.com.

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8. Only registered members of the Company or any proxy appointed by such registered member may attend the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
9. The Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN to their Depository Participant. Members holding shares in physical form shall submit their PAN details to the Company.
10. A Route Map showing the Directions to reach the venue of the 25th Annual General Meeting is attached with the Notice as per the requirement of Secretarial Standard-2 on General Meeting.
11. Corporate members intending to send their authorized representatives to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution/ Authorization together with specimen signatures, authorizing their representative to attend and vote on their behalf at the meeting.
12. Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
13. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Corporate Office of the Company on all working days, except Saturdays, between 03.00 p.m. to 05.00 p.m. upto the date of Annual General Meeting of the Company.
14. Brief Particulars of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting is provided at Annexure-A to this Notice as prescribed under Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issues by ICSI.
15. Voting Through Electronic Means:
 - I. In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014, as substituted by the Companies(Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the 25th Annual General Meeting (AGM) by electronic means and business may be transacted through remote 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 the Central Depository Services (India) Limited.
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
 - III. The members who have cast 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.
 - IV. Equity shareholders shall have one vote per share as shown against their shareholding. The shareholders can vote for their entire voting rights as per their discretion.

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- V. The Remote e-voting period commences on Tuesday, September 25, 2018 at 9:00 a.m. and ends on Thursday, September 27, 2018 at 5:00 pm. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2018, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by shareholder, the shareholder shall not be allowed to change it subsequently.

The instruction for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, September 25, 2018 at 9:00a.m. and ends on Thursday, September 27, 2018 at 5:00pm. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 21, 2018, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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 digit of sequence number which is printed on Address stickers/mail indicated in the PAN field.
DOB / Dividend Bank Details	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. 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).

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- (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 No. 180811011 for the Hipolin Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same 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 mobile phones. The m- Voting app can also be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile phones.**
- (xivv) **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.

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- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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.

- VI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - VII. Shri Gaurang Shah, Practicing Company Secretary (Membership No. ACS 38703 and Certificate of Practice No. 14446) has been appointed as the Scrutinizer to scrutinize the Remote e-voting and the poll process at the Annual General Meeting in a fair and transparent manner.
 - VIII. The scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or any Director of the Company authorized by the Chairman, who shall countersign the same.
 - IX. The Results shall be declared forthwith on receipt of consolidated report from the Scrutinizer. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hipolin.com and on the website of CDSL and shall also be communicated to the BSE Limited.
16. This notice has been updated with the instructions for voting through electronic means as per the amended Rules, 2015.

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ANNEXURE TO NOTICE

The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ITEM NO. 4:

Smt. Nita B. Shah was appointed as Director- Independent Category pursuant to the provisions of Section 161 of the Companies Act, 2013 for a consecutive term upto March 31, 2019 (“first term” in line with the explanation to Section 149(10) and 149(11) of the Act). The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Smt. Nita B. Shah (DIN: 01188437) as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company. The Board based on the performance evaluation of Independent Directors and as per the recommendations of Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by her during her tenure, the continued association of Smt Nita B. Shah (DIN: 01188437) would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly it is proposed to re-appoint Smt. Nita B. Shah (DIN: 01188437) as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's Report. Section 149(11) provides that an Independent Director may hold office for upto two consecutive terms. Smt. Nita B. Shah (DIN: 01188437) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director. The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Nita B. Shah (DIN: 01188437) for the office of Independent Director of the Company. The Company has also received declarations from Smt. Nita B. Shah (DIN: 01188437) that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under Listing Regulations. In opinion of the Board, Smt. Nita B. Shah (DIN: 01188437) fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Smt. Nita B. Shah (DIN: 01188437) is independent of the management. Details of Smt. Nita B. Shah as an Independent Director is provided in “Annexure to the Notice” pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Smt. Nita B. Shah (DIN: 01188437) is interested in the resolution set out in Item No. 4 of the Notice with regard to her re-appointment. Except above, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution. This statement may also be regarded as an appropriate disclosure under Listing Regulations. The Board recommends Special Resolution set out in Item No. 4 of the Notice for approval by the members.

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ITEM NO. 5:

The Shareholders at the 21st Annual General Meeting of the Company held on 30th September, 2014, had re-appointed Shri Bhupendra Jayantilal Shah (DIN: 00325446) as the Whole-Time Director (Chairman) of the Company for a period of 3 years and 8 months starting from 1st August, 2014 and ending on 31st March, 2018, on the terms and conditions of appointment contained in the said resolution.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) for the time being in force the Board of Directors of the Company at its meeting held on 26th March, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed Shri Bhupendra Jayantilal Shah (DIN: 00325446) as the Whole-Time Director (Chairman) of the Company for a period of three years with effect from 1st April, 2018.

Pursuant to Section 196(3) and Part I of the Schedule V of the Companies Act, 2013, Shri Bhupendra Jayantilal Shah (DIN: 00325446) has attained the age of 78 years; hence his continuation as the Whole-Time Director (Chairman) requires the approval of members by way of Special Resolution.

Shri Bhupendra Jayantilal Shah (DIN: 00325446) shall be in charge of the overall operations and management of the Company. Considering his significant contribution in the management, it is proposed to reappoint him for a further period of three years w.e.f. 1st April, 2018, on the terms and conditions and remuneration and allowances payable to Shri Bhupendra Jayantilal Shah, the Whole-Time Director (Chairman) are as under:

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1. SALARY	Rs. 36,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 40,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 41,400/- p.m. from 01.04.2020 to 31.03.2021
2. PERQUISITES	Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 15,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 17,200/-p.m. from 01.04.2019 to 31.03.2020 Rs. 17,500/- p.m. from 01.04.2020 to 31.03.2021 (ii) House Rent Allowance: Rs. 7,000/- p.m. from 01.04.2018 to 31.03.2019 Rs. 7,700/-p.m. from 01.04.2019 to 31.03.2020 Rs. 7,800/- p.m. from 01.04.2020 to 31.03.2021 (iii) Conveyance Allowance: Rs. 8,500/- p.m. from 01.04.2018 to 31.03.2019 Rs. 9,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 9,400/- p.m. from 01.04.2020 to 31.03.2021 CATEGORY : B (i) Provident Fund : The Company shall contribute towards Provident Fund as per the rules of the Company. (ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act. The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3. OTHER TERMS & CONDITIONS	(i) Leave with full pay and allowance shall be allowed as per Company's rules. (ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed. (iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

In the event of loss or inadequacy of profit in any financial year, the Company shall pay Minimum Remuneration to Shri Bhupendra Jayantilal Shah (DIN 00325446) in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force.

Except Shri Bhupendra J. Shah, being an appointee, Shri Bharat J. Shah, Shri Jaykumar J. Shah and Shri Shailesh J. Shah being relatives of Shri Bhupendra J. Shah, are deemed to be concerned or interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

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The Board of Directors recommends the passing of the resolution, as set out at item no. 5 as a special resolution, by the members of the Company

The disclosures, as prescribed under Clause B (iv) of Section II of Part II Of Schedule V of the Companies Act, 2013 and also under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Shri Bhupendra Jayantilal Shah (DIN 00325446), are provided in the annexure to the Notice as attached herewith.

ITEM NO. 6:

The Shareholders at the 22nd Annual General Meeting of the Company held on 30th September, 2015, had appointed Shri Bharat Jayantilal Shah (DIN: 00777734) as the Whole Time Director of the Company for a period starting from 13th February, 2015 and ending on 31st March, 2018, on the terms and conditions of appointment contained in the said resolution.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) for the time being in force the Board of Directors of the Company at its meeting held on 26th March, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed Shri Bharat Jayantilal Shah (DIN: 00777734) as the Whole Time Director of the Company for a period of three years with effect from 1st April, 2018.

Pursuant to Section 196(3) and Part I of the Schedule V of the Companies Act, 2013, Shri Bharat Jayantilal Shah (DIN: 00777734) has attained the age of 74 years; hence his continuation as Whole-Time Director requires the approval of members by way of Special Resolution.

Shri Bharat Jayantilal Shah (DIN: 00777734) shall be in charge of the overall operations and management of the Company. Considering his significant contribution in the management, it is proposed to reappoint him for a further period of three years w.e.f. 1st April, 2018, on the terms and conditions and remuneration and allowances payable to Shri Bharat Jayantilal Shah (DIN: 00777734), Whole Time Director are as under:

HIPOLIN LIMITED

1. SALARY	Rs. 36,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 40,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 41,400/- p.m. from 01.04.2020 to 31.03.2021
2. PERQUISITES	Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 15,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 17,200/-p.m. from 01.04.2019 to 31.03.2020 Rs. 17,500/- p.m. from 01.04.2020 to 31.03.2021 (ii) House Rent Allowance: Rs. 7,000/- p.m. from 01.04.2018 to 31.03.2019 Rs. 7,700/-p.m. from 01.04.2019 to 31.03.2020 Rs. 7,800/- p.m. from 01.04.2020 to 31.03.2021 (iii) Conveyance Allowance: Rs. 8,500/- p.m. from 01.04.2018 to 31.03.2019 Rs. 9,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 9,400/- p.m. from 01.04.2020 to 31.03.2021 CATEGORY : B (i) Provident Fund : The Company shall contribute towards Provident Fund as per the rules of the Company. (ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act. The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3. OTHER TERMS & CONDITIONS	(i) Leave with full pay and allowance shall be allowed as per Company's rules. (ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed. (iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

In the event of loss or inadequacy of profit in any financial year, the Company shall pay Minimum Remuneration to Shri Bharat J. Shah (DIN: 00777734) in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force.

Except Shri Bharat J. Shah, being an appointee, Shri Bhupendra J. Shah, Shri Jaykumar J. Shah and Shri Shailesh J. Shah being relatives of Shri Bharat J. Shah (DIN: 00777734), are deemed to be concerned or interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

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The Board of Directors recommends the passing of the resolution, as set out at item no. 6 as a special resolution, by the members of the Company.

The disclosures, as prescribed under Clause B (iv) of Section II of Part II Of Schedule V of the Companies Act, 2013 and also under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Shri Bharat Jayantilal Shah (DIN 00777734), are provided in the annexure to the Notice as attached herewith.

ITEM NO. 7:

The Shareholders at the 21st Annual General Meeting of the Company held on 30th September, 2014, had re-appointed Shri Jaykumar Jayantilal Shah (DIN: 00392710) as a Whole Time Director (Vice Chairman) of the Company for a period of 3 years and 6 months starting from 1st October, 2014 and ending on 31st March, 2018, on the terms and conditions of appointment contained in the said resolution.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) for the time being in force the Board of Directors of the Company at its meeting held on 26th March, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed Shri Jaykumar Jayantilal Shah (DIN: 00392710) as a Whole Time Director of the Company for a period of three years with effect from 1st April, 2018.

Shri Jaykumar Jayantilal Shah (DIN: 00392710) will attain the age of 70 years on December 23, 2018. Section 196(3) and Part I of Schedule V of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the members by passing a Special Resolution, hence his continuation as a Whole Time Director of the Company requires the approval of members by way of Special Resolution.

Shri Jaykumar Jayantilal Shah (DIN: 00392710) shall be in charge of the overall operations and management of the Company. Considering his significant contribution in the management, it is proposed to reappoint him for a further period of three years w.e.f. 1st April, 2018, on the terms and conditions and remuneration and allowances payable to Shri Jaykumar Jayantilal Shah (DIN: 00392710) as a Whole Time Director are as under:

HIPOLIN LIMITED

1. SALARY	Rs. 36,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 40,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 41,400/- p.m. from 01.04.2020 to 31.03.2021
2. PERQUISITES	Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 15,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 17,200/-p.m. from 01.04.2019 to 31.03.2020 Rs. 17,500/- p.m. from 01.04.2020 to 31.03.2021 (ii) House Rent Allowance: Rs. 7,000/- p.m. from 01.04.2018 to 31.03.2019 Rs. 7,700/-p.m. from 01.04.2019 to 31.03.2020 Rs. 7,800/- p.m. from 01.04.2020 to 31.03.2021 (iii) Conveyance Allowance: Rs. 8,500/- p.m. from 01.04.2018 to 31.03.2019 Rs. 9,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 9,400/- p.m. from 01.04.2020 to 31.03.2021 CATEGORY : B (i) Provident Fund : The Company shall contribute towards Provident Fund as per the rules of the Company. (ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act. The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3. OTHER TERMS & CONDITIONS	(i) Leave with full pay and allowance shall be allowed as per Company's rules. (ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed. (iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

In the event of loss or inadequacy of profit in any financial year, the Company shall pay Minimum Remuneration to Shri Jaykumar Jayantilal Shah (DIN 00392710), in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force.

Except Shri Jaykumar J. Shah, being an appointee, Shri Bhupendra J. Shah, Shri Bharat J. Shah and Shri Shailesh J. Shah being relatives of Shri Jaykumar Jayantilal Shah (DIN 00392710), are deemed to be concerned or interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

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The Board of Directors recommends the passing of the resolution, as set out at item no. 7 as a special resolution, by the members of the Company

The disclosures, as prescribed under Clause B (iv) of Section II of Part II Of Schedule V of the Companies Act, 2013 and also under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Shri Jaykumar Jayantilal Shah (DIN 00392710), are provided in the annexure to the Notice as attached herewith.

ITEM NO. 8:

The Shareholders at the 22nd Annual General Meeting of the Company held on 30th September, 2015, had re-appointed Shri Shaileshkumar Jayantilal Shah (DIN: 00777653) as the Managing Director of the Company for a period of 3 years starting from 1st April, 2015 and ending on 31st March, 2018, on the terms and conditions of appointment contained in the said resolution.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof) for the time being in force the Board of Directors of the Company at its meeting held on 26th March, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed Shri Shaileshkumar Jayantilal Shah (DIN: 00777653) as the Managing Director of the Company for a period of three years with effect from 1st April, 2018.

Shri Shaileshkumar Jayantilal Shah (DIN: 00777653) shall be in charge of the overall operations and management of the Company. Considering his significant contribution in the management, it is proposed to reappoint him for a further period of three years w.e.f. 1st April, 2018, on the terms and conditions and remuneration and allowances payable to Shri Shaileshkumar Jayantilal Shah (DIN: 00777653) as the Managing Director are as under:

HIPOLIN LIMITED

1. SALARY	Rs. 36,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 40,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 41,400/- p.m. from 01.04.2020 to 31.03.2021
2. PERQUISITES	Perquisites will be allowed in addition to salary as under : CATEGORY : A (i) Special Allowance: Rs. 15,600/- p.m. from 01.04.2018 to 31.03.2019 Rs. 17,200/-p.m. from 01.04.2019 to 31.03.2020 Rs. 17,500/- p.m. from 01.04.2020 to 31.03.2021 (ii) House Rent Allowance: Rs. 7,000/- p.m. from 01.04.2018 to 31.03.2019 Rs. 7,700/-p.m. from 01.04.2019 to 31.03.2020 Rs. 7,800/- p.m. from 01.04.2020 to 31.03.2021 (iii) Conveyance Allowance: Rs. 8,500/- p.m. from 01.04.2018 to 31.03.2019 Rs. 9,300/-p.m. from 01.04.2019 to 31.03.2020 Rs. 9,400/- p.m. from 01.04.2020 to 31.03.2021 CATEGORY : B (i) Provident Fund : The Company shall contribute towards Provident Fund as per the rules of the Company. (ii) Gratuity : Gratuity payable shall be in accordance with the provisions of the payment of Gratuity Act. The above benefits in Category "B" shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.
3. OTHER TERMS & CONDITIONS	(i) Leave with full pay and allowance shall be allowed as per Company's rules. (ii) Reimbursement of entertainment expenses actually and properly incurred in course of business of the Company shall be allowed. (iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or committee thereof.

Remuneration to Shri Shailesh J. Shah (DIN:00777653), in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit subject to the limits and conditions as prescribed in Schedule V to the Act for the time being in force.

Except Shri Shailesh J. Shah, being an appointee, Shri Bhupendra J. Shah, Shri Bharat J. Shah and Shri Jaykumar J. Shah being relatives of Shri Shailesh J. Shah (DIN:00777653), are deemed to be concerned or interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

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The Board of Directors recommends the passing of the resolution, as set out at item no. 8 as a special resolution, by the members of the Company

The disclosures, as prescribed under Clause B (iv) of Section II of Part II Of Schedule V of the Companies Act, 2013 and also under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Shri Shailesh J. Shah (DIN:00777653), are provided in the annexure to the Notice as attached herewith.

HIPOLIN LIMITED

The Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

THIS STATEMENT OF DISCLOSURES PURSUANT TO CLAUSE B(iv) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 IS AS UNDER:

I. General Information:

1. Nature of Industry: Manufacturing of Detergent Powder & Cake
2. Date or expected date of commencement of production: The Company has already commenced commercial production in 1994.
3. In case of new Companies, expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial Performance based on given indicators (As per the audited standalone financial statements.)

(Rs. In Lakhs)

Particulars	Financial Year			
	2017-18	2016-17	2015-16	2014-15
Sales and Other Income	1703.37	1367.66	1565.70	2104.14
Profit/(Loss) before Tax	(95.09)	(82.14)	(61.09)	(46.10)
Net Profit/ (Loss) after Tax	(95.09)	(60.28)	(58.64)	(34.17)

5. Foreign Investments or collaborators, if any: The Company has not made any foreign investment or collaborations.

II. Information about the respective Appointees:

Shri Bhupendra Jayantilal Shah,

1. Background details: Shri Bhupendra Jayantilal Shah, having a Master degree of Science in Chemistry, born on December 12, 1939 was appointed as the Whole-Time (Chairman) of the Company w.e.f. August 01, 2011 and then his term was extended upto July 31, 2014 and lastly for a further period of 3 years and 8 months i.e. upto March 31, 2018. He has been associated with the Company for almost 24 years.

2. Past Remuneration:

(Amount in Rs.)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Salary	694910	694541
Perquisites/ Allowances	NIL	NIL
Commission/ Bonus	NIL	NIL
Total	694910	694541

3. Recognition or awards: NIL.

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4. Job profile and his suitability: Shri Bhupendra Jayantilal Shah is one of the founder promoters of the Company. He has been appointed as Chairman and he will be in charge of overall management of the Company. He has a total experience over 50 years. He has expertise in all crucial areas of the Company viz. production, commercial and financial matters. Taking into consideration his experience and his contribution in turnaround of this Company, he is the most suited for the responsibilities assigned to him by the Board of Directors.
5. Remuneration proposed: As stated in the Explanatory Statement for Item No. 5 of the Notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. Considering the present size of the Company, contribution and responsibilities of Shri Bhupendra Jayantilal Shah and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the managerial remuneration being paid to similar appointees in other companies.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Shri Bhupendra Jayantilal Shah does not have any pecuniary relationship with the Company and its managerial personnel.

Shri Bharat Jayantilal Shah

1. Background details: Shri Bharat Jayantilal Shah is a Bachelor of Commerce born on November 02, 1943. He is a Chief Financial Officer of the Company since 4 years. He was appointed as a Whole Time Director w.e.f. February 13, 2015 upto March 31, 2018. He has been associated with the Company for more than 4 years

2. Past Remuneration:

(Amount in Rs.)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Salary	694910	694541
Perquisites/ Allowances	NIL	NIL
Commission/ Bonus	NIL	NIL
Total	694910	694541

3. Recognition or awards: NIL.
4. Job profile and his suitability: Shri Bharat Jayantilal Shah, a Chief Financial Officer of the Company has been appointed as Whole Time Director and he will be in charge of overall management of the Company. He has expertise in all crucial areas of the Company viz. administration, finance and accountancy, regulatory and managerial expertise. Taking into consideration his experience and his contribution in turnaround of this Company, he is the most suited for the responsibilities assigned to him by the Board of Directors.
5. Remuneration proposed: As stated in the Explanatory Statement for Item No. 6 of the Notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. Considering the present size of the Company,

HIPOLIN LIMITED

contribution and responsibilities of Shri Bharat Jayantilal Shah and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the managerial remuneration being paid to similar appointees in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Shri Bharat Jayantilal Shah does not have any pecuniary relationship with the Company and its managerial personnel.

Shri Jaykumar Jayantilal Shah

1. Background details: Shri Jaykumar Jayantilal Shah is a Civil Engineer born on December 23, 1949. He has been associated with the Company for almost 24 years and was an Executive Director for 20 years and is Whole Time Director (Vice Chairman) since last 4 years.

2. Past Remuneration:

(Amount in Rs.)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Salary	694910	694541
Perquisites/ Allowances	NIL	NIL
Commission/ Bonus	NIL	NIL
Total	694910	694541

3. Recognition or awards: NIL.
4. Job profile and his suitability: Shri Jaykumar Jayantilal Shah is one of the founder promoters of the Company. He has been appointed as Whole Time Director and he will be in charge of overall management of the Company. He has a total experience of over 38 years. Taking into consideration his experience and his contribution in turnaround of this Company, he is the most suited for the responsibilities assigned to him by the Board of Directors.
5. Remuneration proposed: As stated in the Explanatory Statement for Item No. 7 of the Notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. Considering the present size of the Company, contribution and responsibilities of Shri Jaykumar Jayantilal Shah and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the managerial remuneration being paid to similar appointees in other companies.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Shri Jaykumar Jayantilal Shah does not have any pecuniary relationship with the Company and its managerial personnel.

Shri Shaileshkumar Jayantilal Shah

1. Background details: Shri Shaileshkumar Jayantilal Shah is an undergraduate in Science, born on October 11, 1951 was appointed as Managing Director of the Company w.e.f. October 01, 2011 upto March 31, 2015 and then his term was extended for a further period of 3 years i.e. upto March 31, 2018. He has been associated with the Company for almost 7 years.

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2. Past Remuneration:

(Amount in Rs.)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Salary	658970	658970
Perquisites/ Allowances	NIL	NIL
Commission/ Bonus	NIL	NIL
Total	658970	658970

3. Recognition or awards: NIL.

4. Job profile and his suitability: Shri Shaileshkumar Jayantilal Shah has been appointed as Managing Director and he will be in charge of overall management of the Company. He has expertise in all crucial areas of the Company viz. administration, regulatory and managerial expertise. Taking into consideration his experience and his contribution in turnaround of this Company, he is the most suited for the responsibilities assigned to him by the Board of Directors.

5. Remuneration proposed: As stated in the Explanatory Statement for Item No. 8 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. Considering the present size of the Company, contribution and responsibilities of Shri Shaileshkumar Jayantilal Shah and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the managerial remuneration being paid to similar appointees in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Shri Shaileshkumar Jayantilal Shah does not have any pecuniary relationship with the Company and its managerial personnel.

III. Other Information

1. Reasons of loss or inadequate profits: Cut throat competition and increase in the price of raw material are the main reasons for the loss of the Company.
2. Steps taken or proposed to be taken for improvement: Improving the Production process to reduce the cost of production and increasing the efforts in Marketing are ongoing things in the business of the Company.
3. Expected Measures in productivity and profits in measurable terms: The Company is working on some process changes where under yield of one of the prime products will increase. In turn, it should result increase in profitability.

May 29, 2018

HIPOLIN LIMITED

CIN : L24240GJ1994PLC021719

Registered Office:

**A/1/1, Nilkanth Ind. Estate,
Sanand-Viramgam Highway,
Nr. Iyava Bus Stand,
Via Virochannagar (P. O.)**

Ta. : Sanand, Dist.: Ahmedabad-382170.

**By Order of the Board,
For HIPOLIN LIMITED,**

**Apexa Panchal
Company Secretary
ACS-35725**

HIPOLIN LIMITED

Annexure A

Brief Particulars of Directors seeking Appointment/ Re-appointment at the forthcoming Annual General Meeting Pursuant of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standards on General Meeting (SS-2) issued by the ICSI:

Name of the Director	Shri Bhupendra J. Shah	Shri Bharat J. Shah	Shri Jaykumar J. Shah	Shri Shailesh J. Shah
Director Identification Number (DIN)	00325446	00777734	00392710	00777653
Date of Birth	12.12.1939	02.11.1943	23.12.1949	11.10.1951
Date of Appointment/ Re-appointment				
Qualifications	Master Degree of Science in Chemistry	Bachelor Degree of Commerce	Bachelor Degree of Engineering (Civil)	Undergraduate in Science
Number of the Meetings of the Board attended during the year 2017-18	5 out of 5	5 out of 5	5 out of 5	5 out of 5
Brief resume of the Director including nature of expertise in specific functional areas	He is having rich experience of 47 years in the field of Chemicals and Detergents. He was a Vice Chairman in the Kalapur Commercial Co-operative Bank Ltd for 10 years and also the Director for 20 years. He is expert in handling multiple portfolios in the field of Banking, Finance and administration.	Shri Bharat J. Shah is having rich experience of 43 years in the field of Chemicals and Detergents. He is expert in handling the Finance, Marketing and Operations, Administration and various Commercial matters.	Shri Jaykumar J. Shah is having rich experience of 35 years in the field of Chemicals and Detergents. He is expert in handling the Administration and various Commercial matters.	Shri Shailesh J. Shah is having rich experience of more than 33 years in the field of Chemicals and Detergents. He is expert in handling multiple portfolio in the field of banking, finance and administration. He is having wide knowledge of the industry and markets that the company operates in and has been instrumental in the turnaround of the Company over the last few years.
No. of Shares held in the Company	232239 Equity shares of Rs. 10 each fully paid up	59461 Equity shares of Rs. 10 each fully paid up	107351 Equity shares of Rs. 10 each fully paid up	317595 Equity shares of Rs. 10 each fully paid up
Directorships and Committee Memberships held in other Companies (excluding alternate directorships, Directorship in the Private limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Companies.)	NIL	NIL	NIL	NIL
Inter-se Relationships between Directors	#	##	###	####
Terms and Conditions of appointment	As per Remuneration and Nomination Policy of the Company as displayed on the Company's Website viz. http://www.hipolin.com .			

- # Brother of Shri Bharat J. Shah (Whole-time Director & CFO), Shri Jaykumar J. Shah (Whole Time Director) and Shri Shailesh J. Shah (Managing Director).
- ## Brother of Shri Bhupendra J. Shah (Chairman), Shri Bharat J. Shah (Whole-time Director & CFO) and Shri Shailesh J. Shah (Managing Director).
- ### Brother of Shri Bhupendra J. Shah (Chairman), Shri Bharat J. Shah (Whole-time Director & CFO), and Shri Shailesh J. Shah (Managing Director).
- #### Brother of Shri Bhupendra J. Shah (Chairman), Shri Bharat J. Shah (Whole-time Director & CFO) and Shri Jaykumar J. Shah (Whole Time Director).

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion And Analysis Report is given below:]

ECONOMY:

Indian economy grew at a healthy rate of 7% during FY 2017-18. The pace of growth, however, did slow down as compared to the growth of past three years. Lower growth rate is attributable to the decline in investment on account of stressed balance sheets in the corporate sector and moderate growth in industrial sector. Amongst other factors, India's future outlook will be majorly impacted by introduction of Goods & Services Tax (GST) and demonetisation. GST is expected to create a common Indian market, improve tax compliance, boost investment & growth and improve governance. Demonetisation has had short-term costs in form of slow growth but holds potential for eventually leading to higher GDP growth, better tax compliance and greater tax revenues

INDUSTRY HIGHLIGHTS:

In view of convenience and escalating purchasing power accompanied with continuous & constant advertising & marketing, the demand of soaps & detergents has increased substantially.

There is a good scope of penetrating rural markets besides urban markets at a national level. In the long run, its growth will not be affected by adverse factors like recession or inflation.

OPERATIONS:

The total revenue of the Company increased to Rs. 1715.70 Lakhs compared to Rs. 1367.28 Lakhs during the previous year. The Company incurred Net Loss of Rs. 95.09 Lakhs compared to Net loss of Rs. 60.28 Lakhs during the previous year.

OPPORTUNITIES:

- A) Due to awareness of an average citizen, with reference to CLEAN INDIA, demand of detergent may increase having multiplying effect.
- B) There is a potentiality for an International market along with timely availability of the products at an affordable economic price.
- C) The ultimate users may be approached via e-commerce & reputed retail chain of the Bazaars like Star Bazaar, D Mart, Big Bazaar etc.
- D) Public at large has been more alert about health & hygiene.

THREATS:

- A) To create Company's Brand loyalty is a costly affair by means of a very aggressive marketing in all Medias like TV Advertisements, slide shows, hoardings etc.
- B) An average customer is too price sensitive & may leave Company's brand for a marginally costly product compared to a competitor just because of heavy dose of marketing cost.
- C) Brand building & generating brand loyalty in the minds of consumers like multinationals & national competitors may eat the company's major portion of resources.

HIPOLIN LIMITED

RISKS AND CONCERNS:

- 1) The Company faces stiff & cut throat competition not only from multinationals but also from national/domestic competitors.
- 2) More expenses of advertising & marketing calls for deployment of funds result in higher burden of interest.
- 3) Inflationary tendency in cost elements like raw material cost, interest cost, marketing cost & transportation cost affect adversely to net margins as in competitive market selling price cannot be increased to absorb them all and hence generate low profit margin.

INTERNAL CONTROL SYSTEMS:

The Company has an adequate system of Internal Controls aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. The observations and recommendations given by the Internal Auditors, a reputed firm of Chartered Accountants, for improvement of the business operations and their implementations are reviewed by the Audit Committee.

HUMAN RESOURCES:

Talent acquisition, retention and development are an integral part of the HR Initiatives.

Your Company recognizes that transformation is successful only if the human capital is prepared for change & trained to accept new challenges. The Company has got very cordial relations with the employees at all the levels particularly with the workers. This year, as at March 31, 2018, the Company had 49 employees on the payroll.

CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's analysis and interpretations are forward looking. Actual results may vary from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The risks outlines are not exhaustive. Readers are requested to exercise their own judgment in assessing the risk associated with the Company.

ANNUAL REPORT 2017-2018

DIRECTORS' REPORT

To,

The Members,

Your Directors present the Twenty Fifth Annual Report and Audited Accounts of the Company for the financial year ended March 31, 2018.

Financial Results

Sr. No.	Particulars	Amount (Rs. in Lakhs)	
		Year ended on	
		31-03-2018	31-03-2017
1	Income (Net of Excise of Duty & GST)	1715.70	1367.28
2	Profit/(Loss) before Interest, Depreciation & Taxation	(64.58)	(42.00)
	Less / (Add) : Interest	(5.18)	(9.76)
3	Profit/(Loss) before Depreciation and Taxation	(69.76)	(51.76)
	Less / (Add) : Depreciation	(25.33)	(31.38)
4	Profit/(Loss) before Tax for the year	(95.09)	(83.14)
	Less : Provision for Taxation :	-	-
	(a) Current Tax	Nil	Nil
	Add (b) Deferred Tax	Nil	17.86
	(c) Excess Provision of earlier years (Net)	Nil	5.00
	Sub-total	Nil	22.86
5	Profit/(loss) after Tax for the year	(95.09)	(60.28)
6	Other Comprehensive Income	(11.49)	(14.72)
7	Net Profit/(loss) after Tax for the year	(106.58)	(75.01)
	Add :Balance B/f from previous year's a/c.	(197.82)	(122.81)
	Balance C/f to next year's account	(304.40)	(197.82)

1. OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

(A) Sales and Profit:

The sales and other income of the Company during 2017-18 were higher at Rs. 1715.70 Lakhs compared to Rs.1367.28 Lakhs of the previous year. The loss incurred was Rs. 95.09 Lakhs during the year 2017-18 as compared to Rs. 60.28 Lakhs of the previous year.

(B) Raw Material:

Required quantities of the Raw materials were available from within India.

(C) Export:

Company has not made any export during the year (No exports during previous year).

No material changes and commitments, affecting the financial position of the Company have occurred between March 31, 2018 and the date of this Report.

HIPOLIN LIMITED

2. DIVIDEND:

In view of loss incurred during the year under review, Board of Directors does not recommend any dividend for the financial year 2017-18.

3. FIXED DEPOSITS:

During the year, Company has not accepted any Fixed Deposits from the public.

4. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED :

The Company has not given any loan, made investment, given any guarantee or provided any security covered U/s 186 of The Companies Act, 2013 to any one.

5. INSURANCE:

All fixed assets and movable assets of the Company are adequately insured.

6. LISTING:

The Company's Securities are listed on BSE Limited at Mumbai. The Company has paid the listing fees for F.Y. 2018-19 on the paid up equity share capital.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3) and 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Directors hereby confirm:

- a) that in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III of the Companies Act have been followed and there are no material departures from the same;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the loss of the Company for the year ended on that date;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors have prepared the annual accounts on a 'Going Concern' basis;
- e) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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8. **DIRECTORS:**

In accordance with the provisions of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, Shri Bharat J. Shah, Whole Time Director and Shri Jaykumar J. Shah, Whole Time Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The term of Smt. Nita B. Shah, an Independent Director of the company who was appointed for a term of 5 (five) consecutive years expires on March 31, 2019. The company has received notice from one of the members of the company proposing her re-appointment as an Independent Director for another term of 5 (five) consecutive years w.e.f. April 01, 2019.

Pursuant to the recommendation of Nomination and Remuneration Committee, Shri Bhupendra Jayantilal Shah as the Whole-Time Director (Chairman), Shri Bharat Jayantilal Shah as the Whole Time Director, Shri Jaykumar Jayantilal Shah as the Whole Time Director and Shri Shailesh Jayantilal Shah as the Managing Director were re-appointed by the Board of Directors, respectively, subject to an approval of the shareholders for a further period of three years with effect from April 1, 2018 to March 31, 2021.

A brief resume and other relevant details of the Directors proposed to be appointed/ re-appointed are given in the Explanatory Statement to the Notice convening 25th Annual General Meeting.

There is no change in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review, except as stated above.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company, inter alia, confirming that they meet the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

9. **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR ETC.:**

Pursuant to the provisions of Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder and Clause 49 of the Listing Agreement, now regulation 19 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 the Board of Directors had approved and adopted the Remuneration and Nomination Policy as recommended by the Nomination and Remuneration Committee. The salient features of the said policy covering the policy on appointment and remuneration and other matters have been explained in the Corporate Governance Report.

10. **BOARD EVALUATION:**

The evaluation of Board, its Committees and Individual Director was carried out as per the criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

HIPOLIN LIMITED

11. MEETINGS OF THE BOARD AND COMMITTEES:

The Board met five times during the year, details of which are given in the Report on Corporate Governance that forms the part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of meetings of all the Committees of the Board have been given in the Report on Corporate Governance.

12. CONFIRMATION OF COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General Meetings) during the year.

13. PARTICULARS OF EMPLOYEES:

There was no employee drawing an annual salary of Rs. 102.00 lakhs or more where employed for full year or monthly salary of Rs. 8.50 Lakhs or more where employed for part of the year and therefore, no information pursuant to the provisions of Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.

Disclosure with respect to remuneration of the Directors and employees as required under Section 197 of the Act, and the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been annexed to this report as **Annexure-A**.

14. AUDITORS:

• Statutory Auditors

The shareholders had at the Twenty Fourth AGM of the Company appointed M/s. Borkar & Muzumdar, Chartered Accountants as Statutory Auditors of the Company to hold office from the close of the Twenty Fourth AGM till the conclusion of the Twenty Ninth AGM, subject to their appointment being ratified by the shareholders in every AGM.

The Ministry of Corporate Affairs vide Companies Amendment Act, 2017 omitted the requirement related to ratification of appointment of statutory auditors by members at every AGM w.e.f. 7th May, 2018. Pursuant to the amendment, the Board hereby recommends to the shareholders for their approval that the requirement of seeking ratification of appointment of Statutory Auditors (M/s Borkar & Muzumdar, Chartered Accountants) at every Annual General Meeting (referred in the resolution passed at the Shareholders meeting held on September 30, 2017), be deleted.

The Auditors' Report for FY 2017-18 form part of this Annual Report and does not contain any qualification, reservation or adverse remark.

• Secretarial Auditors

Pursuant to Section 204 of The Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed M/s. M. P. Mehta & Co., Company Secretaries, Ahmedabad, as Secretarial Auditor of the Company for the FY 2017-18. A Secretarial Audit Report for FY 2017-18 is annexed herewith as **Annexure B**.

The said report does not contain any qualification, reservation or adverse remark.

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• Cost Auditor:

As per the Companies (Cost Records and Audit) Rules, 2014 as amended by Companies (Cost Records and Audit) Amendment Rules, 2014, issued by the Central Government, the Company is not required to get its cost records audited by a Cost Auditor. But the Company is maintaining cost records voluntarily and obtained the Certificate of Maintenance of Cost Records from the Cost Accountant.

15. **CORPORATE GOVERNANCE :**

As per Regulation 34(3) read with schedule V of the SEBI (LODR) Regulations, 2015, the Report on Corporate Governance and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are made part of this Annual Report.

16. **MANAGEMENT DISCUSSION AND ANALYSIS**

As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report form part of this Annual Report.

17. **BUSINESS RESPONSIBILITY REPORT:**

The Business Responsibility Report, as required under Regulation 34(2)(g) of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

18. **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions with related parties entered into by the Company during the financial year with related parties were in the ordinary course of business and at an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with related party transactions.

19. **VIGIL MECHANISM:**

The Company has a Whistle Blower Policy. All employees of the Company also have access to the Chairman of the Audit Committee in case they wish to report any concern. The Whistle Blower Policy has been posted on the website of the Company (www.hipolin.com). All cases registered under Whistle Blower Policy of the Company, if any, are reported to and are subject to the review of the Audit Committee.

20. **RISK MANAGEMENT POLICY:**

The Company follows well-established and detailed risk assessment and minimization procedures, which is periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Senior Management assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

HIPOLIN LIMITED

21. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company firmly believes in providing a safe, supportive and friendly environment- a workplace where our values come to life through the supporting behaviours. Positive workplace environment and a great employee experience are integral part of our culture. The Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

The Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment; the Company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.

During the year, there was no complaint of sexual harassment lodged with the Company

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

A. Conservation of Energy

The Company has not incurred significant amount on electricity, as most of the products of the company are mixing of various ingredients. The percentage of electricity expenses is very negligible to total expenses. However, the Company ensures conservation at all possible levels.

B. Technology Absorption

The Company has established a well-equipped Quality Control Laboratory and Research and Development Laboratory. The Research & Development Laboratory does not require any sophisticated instruments.

The Company has adopted indigenously available technology for its production process. The Company has not adopted any foreign technology.

C. Foreign Exchange Earnings and outgo: NIL

23. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 is annexed herewith as **Annexure C** to this Report.

24. ACKNOWLEDGMENTS:

Your Board of Directors wishes to place on record its appreciation to the contribution made by the employees of the company. The Directors also wish to thank the Government authorities, financial institutions, banks and shareholders for their cooperation and assistance extended to the company.

Date : May 29, 2018

Place : Ahmedabad

For and on behalf of the Board,

Bhupendra J. Shah

Chairman

(DIN: 00325446)

Shailesh J. Shah

Managing Director

(DIN: 00777653)

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ANNEXURE TO DIRECTORS' REPORT

Annexure A

DISCLOSURE ON MANAGERIAL REMUNERATION

[Pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for FY 2017-18:

(Explanation: (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values)

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, if any, during the FY 2017-18:

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2017-18 are given below:

Sl. No.	Directors	Designation Category	Ratio of Remuneration of Director to Median Remuneration of Employees [sub-clause (i) of Rule 5(1)]	Increase / (Decrease) in Remuneration (%) [Sub-clause (ii) of Rule 5(1)]
1	Shri Bhupendra J. Shah**	Whole Time Director (Chairman) Executive	5.11:1	0.05%
2	Shri Jaykumar J. Shah**	Whole Time Director (Vice Chairman) Executive	5.11:1	0.05%
3	Shri Shailesh J. Shah**	Managing Director Executive	5.11:1	NIL
4	Shri Bharat J. Shah**	CFO & Whole Time Director Executive	5.11:1	0.05%
5	Shri Subhash J. Shah**	Whole Time Director Executive	5.11:1	0.05%
6	Smt. Nita B. Shah*	Independent Director Non- Executive	0.06:1	—
7	Shri Ajay R. Gandhi*	Independent Director Non- Executive	0.06:1	—
8	Shri Umesh P. Mehta*	Independent Director Non- Executive	0.06:1	—
9	Shri Virendra B. Shah*	Independent Director Non- Executive	0.06:1	—
10	Shri Nirav D. Shah*	Independent Director Non- Executive	0.06:1	—
11	Ms. Apexa Panchal**	Company Secretary	3.15:1	8.07%

HIPOLIN LIMITED

* The Non Executive Independent Directors of the Company are entitled to sitting fees as per the statutory provisions and as per Rules prescribed under the Companies Act. The details of remuneration of Non Executive Independent Directors are provided in the Report on Corporate Governance.

** Key Managerial Personnel (KMP).

3. The percentage increase in the remuneration of CFO (as well as Whole Time Director) is 0.05%, of Managing Director is NIL and of the Company Secretary is 8.07%
4. The percentage increase in the median remuneration of employees in the financial year is: 12.99%
5. The number of permanent employees on rolls of the Company: 49
6. The average increase in the remuneration of all employees 8% for the FY 2017-18. The increase in the Managerial remuneration is almost NIL.
7. Affirmation that the remuneration is as per the Remuneration Policy of the Company:
It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
8. Key Parameters for Variable Component of remuneration availed by the Directors:
There was no variable component in form of Commission payment to any Director-whether Executive or Non-Executive Directors during F.Y. 2017-18.
9. There was no employee drawing an annual salary of Rs. 102.00 lakhs or more where employed for full year or monthly salary of Rs. 8.50 Lakhs or more where employed for part of the year and therefore, no information pursuant to the provisions of Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given

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Annexure B

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2018

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

To
The Members,
HIPOLIN LIMITED,
A/1/1, Nilkanth Ind. Estate,
Sanand-Viramgam Highway,
Near Iyava Bus Stand,
Via Virochannagar (P.O.)
Ta.: Sanand, Dist. : Ahmedabad- 382 170.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HIPOLIN LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2018 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable as Company has neither earned nor expended/ utilized any foreign exchange during the year under review.)**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

HIPOLIN LIMITED

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable as Company has not issued any shares during the year under review.)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (share Based Employees Benefits), Regulations, 2014; **(Not applicable as Company has not provided such facility during the year under review.)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as Company has not issued any Debt Securities during the year under review.)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted any of its shares from any stock exchange during the year under review.)**
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2008; **(Not applicable as the Company has not bought back any of its shares from any stock exchange during the year under review.)**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6) As advised by the Management, Law specifically applicable to the Company is:
- a) Food Safety and Standards Act, 2006.
- I observe that the specific law, as applicable to the Company is being duly complied with by various cross functional departments and plant managers.
- I have been informed that Direct & Indirect Tax laws & Labour Laws are observed by the Professionals associated with the Company.
- 7) I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
 - (ii) The Listing Agreement entered into by the Company with BSE Limited.

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

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I further report that

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

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

Decisions of the Board are unanimously carried through, as recorded in the minutes of the Board Meetings, and hence no dissenting views are recorded.

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

I further report that during the audit period, there is no specific event or any action having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Date : May 17, 2018

Place : Ahmedabad

**For M. P. Mehta & Co.,
Company Secretaries**

M. P. Mehta

Proprietor

FCS NO.:2413, C.P. No.:1941

HIPOLIN LIMITED

To,
The Members,
Hipolin Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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, standards is the responsibility of the management. Our examination was limited to the verification of procedure 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.

Date : May 17, 2018

Place : Ahmedabad

**For M. P. Mehta & Co.,
Company Secretaries**

**M. P. Mehta
Proprietor
FCS NO.:2413, C.P. No.:1941**

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Annexure C

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

As on the 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:

- i. CIN:- L24240GJ1994PLC021719
- ii. Registration Date: 31.03.1994
- iii. Name of the Company:- HIPOLIN LIMITED
- iv. Category/ Sub-Category of the Company:- Public Company/ Limited by Shares
- v. Address and Contact Details:
 - a. Registered Office:- A/1/1Nilkanth Industrial Estate, Sanand-Viramgam Highway,
Near Iyava Bus Stand, Via Virochannagar (P.O.)
Ta. : Sanand, Dist. : Ahmedabad-382170.
Phone: (02717) 284202
 - b. Corporate Office:- 45, Madhuban, 4th Floor, Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad-380006.
Phone: (079) 26447730-31
Email: hipolin@hipolin.com, csapexapanchal@gmail.com
Website: www.hipolin.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
LINK INTIME INDIA PRIVATE LIMITED.
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
Tel No : +91 22 49186270 Fax: +91 22 49186060
E-mail id: rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in
Ahmedabad Unit:
5th Floor, 506 to 508, Amarnath Business Center-I (ABC-I),
Beside Gala Business center, Nr. St. Xavier's College Corner,
Off C.G. Road, Navrangpura, Ahmedabad-380009.
Phone No.: 079-26465179
Email Id.: ahmedabad@linkintime.co.in.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The only principal business activities of the Company is manufacturing and trading of Detergent Powder and Cake and allied products which contribute 100% of the total turnover of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
			N.A.		

HIPOLIN LIMITED

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 01, 2017)				No. of Shares held at the end of the year (as on March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1) Indian	—	—	—	—	—	—	—	—	—
a) Individual/HUF	1966463	Nil	1966463	62.80	1966463	Nil	1966463	62.80	0.00
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	165353	Nil	165353	5.28	164353	Nil	164353	5.25	-0.03
e) Bank /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2131816	Nil	2131816	68.08	2130816	0	2130816	68.05	-0.03
(2) Foreign	—	—	—	—	—	—	—	—	Nil
a) NRIs- Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bank /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2131816	Nil	2131816	68.08	2130816	Nil	2130816	68.05	-0.03
	—	—	—	—	—	—	—	—	Nil
1. Institutions	—	—	—	—	—	—	—	—	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	0.00	85391	Nil	85391	2.73	2.73
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (Specify) Foreign Portfolio Investor(Corporate)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	85391	Nil	85391	2.73	2.73
2. Non-Institutions	—	—	—	—	—	—	—	—	Nil
a) Bodies Corp.	40154	Nil	40154	1.28	42799	Nil	42799	1.37	0.08
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Shareholders holding nominal share capital upto Rs. 1 lakh	441110	210217	651327	20.80	416262	135401	551663	17.62	-3.18
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	298718	Nil	298718	9.54	314993	Nil	314993	10.06	0.52
c) Others (specify) Non Residents	1524	Nil	1524	0.05	1455	Nil	1455	0.05	0.00
d) Others (Clearing Members)	7761	Nil	7761	0.25	4183	Nil	4183	0.13	-0.11
	789267	210217	999484	31.92	779692	135401	915093	29.22	-2.70
	789267	210217	999484	31.92	865083	135401	1000484	31.95	0.03
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2921083	210217	3131300	100.00	2995899	135401	3131300	100.00	

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ii. Shareholding of Promoters /Promoters Group

Sl. No.	Shareholder's name	No. of Shares held at the beginning of the year (as on April 01, 2017)			No. of Shares held at the end of the year (as on March 31, 2018)			% of change in share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ emcumbered to total share	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ emcumbered to total share	
1	SHAILESHBHAI J SHAH	317595	10.14	NIL	317595	10.14	NIL	0.00
2	JYOTIBEN J SHAH	278900	8.91	NIL	278900	8.91	NIL	0.00
3	RUMIT BHARATBHAI SHAH	262745	8.39	NIL	262745	8.39	NIL	0.00
4	BHUPENDRABHAI J SHAH	232239	7.42	NIL	232239	7.42	NIL	0.00
5	SUBHASBHAI J SHAH	156700	5.00	NIL	156700	5.00	NIL	0.00
6	JAYKUMARBHAI J. SHAH	107351	3.43	NIL	107351	3.43	NIL	0.00
7	DAXABEN S SHAH	97200	3.10	NIL	97200	3.10	NIL	0.00
8	ARUNABEN B SHAH	94600	3.02	NIL	94600	3.02	NIL	0.00
9	REKHABEN B SHAH	85507	2.73	NIL	85507	2.73	NIL	0.00
10	DAXESHBHAI B SHAH	84899	2.71	NIL	84899	2.71	NIL	0.00
11	NARAYAN SOAPS AND CHEMICALS PRIVATE LIMITED	78939	2.52	NIL	78939	2.52	NIL	0.00
12	MAYURIBEN S SHAH	78300	2.50	NIL	78300	2.50	NIL	0.00
13	HIPOLIN INVESTMENT PRIVATE LIMITED.	56901	1.82	NIL	56901	1.82	NIL	0.00
14	BHARATBHAI J. SHAH	59461	1.90	NIL	59461	1.90	NIL	0.00
15	ARPAN J SHAH	29882	0.95	NIL	29882	0.95	NIL	0.00
16	PURVIBEN D SHAH	26992	0.86	NIL	26992	0.86	NIL	0.00
17	APURVA SHAILESHBHAI SHAH	30153	0.96	NIL	30153	0.96	NIL	0.00
18	JAY DETERGENTS PRIVATE LIMITED	16513	0.53	NIL	15513	0.50	NIL	-0.03
19	JAYANTILAL BHOGILAL CHEMICALS PRIVATE LIMITED	13000	0.42	NIL	13000	0.42	NIL	0.00
20	KRUPA HIREN SHAH	11600	0.37	NIL	11600	0.37	NIL	0.00
21	MANA R SHAH	5000	0.16	NIL	5000	0.16	NIL	0.00
22	NAIYABEN S SHETH	2700	0.09	NIL	2700	0.09	NIL	0.00
23	BIJAL S DESAI	2339	0.07	NIL	2339	0.07	NIL	0.00
24	POURVI MANISH DESAI	2300	0.07	NIL	2300	0.07	NIL	0.00
	TOTAL	2131816	68.08	0.00	2130816	68.05	0.00	-0.03

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

Sl. No.		Shareholding at the beginning of the year		Cummulative Shareholding during the year	
		No. Of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2131816	68.08	2131816	68.08
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ Decrease(e.g. allotment/ transfer/ bonus/ sweat equity, etc.)	#	#	#	#
	At the end of the year	2130816	68.05	2130816	68.05

Inter-se Transfer among Promoters, Sales & Purchase of shares

Sl. No.	Name	Shareholding at the beginning of the year April 01, 2017		Date	Increase/ Decrease in shareholding	Reason (Interse Transfer / Sale / Purchase)	Cummulative Shareholding during the year April 01, 2017 to March 31, 2018	
		No. of Shares	% of total Shares of the Company				No. Of Shares	% of total Shares of the Company
1	SHAILESHBHAI J SHAH	317595	10.14	-	-	-	317595	10.14
2	JYOTIBEN J SHAH	278900	8.91	-	-	-	278900	8.91
3	RUMIT BHARATBHAI SHAH	262745	8.39	-	-	-	262745	8.39
4	BHUPENDRABHAI J SHAH	232239	7.42	-	-	-	232239	7.42
5	SUBHASBHAI J SHAH	156700	5.00	-	-	-	156700	5.00
6	JAYKUMARBHAI J. SHAH	107351	3.43	-	-	-	107351	3.43
7	DAXABEN S SHAH	97200	3.10	-	-	-	97200	3.10
8	ARUNABEN B SHAH	94600	3.02	-	-	-	94600	3.02
9	REKHABEN B SHAH	85507	2.73	-	-	-	85507	2.73
10	DAXESHBHAI B SHAH	84899	2.71	-	-	-	84899	2.71
11	NARAYAN SOAPS AND CHEMICALS PRIVATE LIMITED	78939	2.52	-	-	-	78939	2.52
12	MAYURIBEN S SHAH	78300	2.50	-	-	-	78300	2.50
13	HIPOLIN INVESTMENT PRIVATE LIMITED.	56901	1.82	-	-	-	56901	1.82
14	BHARATBHAI J. SHAH	59461	1.90	-	-	-	59461	1.90
15	ARPAN J SHAH	29882	0.95	-	-	-	29882	0.95
16	PURVIBEN D SHAH	26992	0.86	-	-	-	26992	0.86
17	APURVA SHAILESHBHAI SHAH	30153	0.96	-	-	-	30153	0.96
18	JAY DETERGENTS PRIVATE LIMITED	16513	0.53	02.06.2017	(1000)	Sale	15513	0.50
19	JAYANTILAL BHOGILAL CHEMICALS PRIVATE LIMITED	13000	0.42	-	-	-	13000	0.42
20	KRUPA HIREN SHAH	11600	0.37	-	-	-	11600	0.37
21	MANA R SHAH	5000	0.16	-	-	-	5000	0.16
22	NAIYABEN S SHETH	2700	0.09	-	-	-	2700	0.09
23	BIJAL S DESAI	2339	0.07	-	-	-	2339	0.07
24	POURVI MANISH DESAI	2300	0.07	-	-	-	2300	0.07

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iv. Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

		No. of Shares at the beginning of the year April 01, 2017	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason (Interse Transfer / sale / Purchase)	No. of Shares at the end of the year March 31, 2018	% of total Shares of the Company
1	KILLOLI HINESHBHAI GARIWALA	90663	2.90				90663	2.90
2	VIPULBHAI KANTILAL SHAH	87140	2.78				87140	2.78
3	ARUNABEN MANHERLAL VAKIL	51720	1.65				51720	1.65
4	DIPAK KANAYALAL SHAH	30700	0.98	23.06.2017	300	purchase	31000	0.99
5	HITESH RAMJI JAVERI	20092	0.64				20092	0.64
6	MUKESH COMMOTRADE PVT. LTD.	0	0.00	05.01.2018	19000	purchase	19000	0.61
7	URMILA GUPTA	0	0.00	16.02.2018	18504	purchase	18504	0.59
8	NAINESH NAVINCHANDRA SHAH	5100	0.16	16.06.2017	990	purchase		
				30.06.2017	936	purchase		
				03.11.2017	3952	purchase		
				12.01.2018	266	purchase		
				31.03.2018	5000	purchase	16244	0.52
11	ABHAY KRISHI UDYOG PVT LTD	10700	0.34				10700	0.34
12	ANILBHAI BABUBHAI KORADIA	7888	0.25				7888	0.25
13	DINESH ISHWARLAL VAKIL	7701	0.25				7701	0.25
14	GOLDMINE STOCKS PVT LTD	19000	0.61	09.06.2017	100	purchase		
				16.06.2017	(100)	Sale		
				06.01.2018	(19000)	Sale		
15	MANOJ KUMAR GUPTA	18504	0.59	16.02.2018	(18504)	Sale		

Note: Top ten shareholders of the company as on March 31, 2018 has been considered for the above disclosure

v. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors and Key Managerial Personnel	Shareholding	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative	
		No. of Shares at the beginning of the year (01.04.2017)					No. of Shares at the end of the year (31.03.2018)	% of total Shares of the Company
1	Shri Bhupendra J. Shah (Whole-time Director & Chairman)	232239	7.42	-	-	-	232239	7.42
2	Shri Jaykumar J. Shah (Whole-time Director & Vice-Chairman)	107351	3.43	-	-	-	107351	3.43
3	Shri Shailesh J. Shah (Managing Director- Executive)	317595	10.14	-	-	-	317595	10.14
4	Shri Bharat J. Shah (CFO & Whole-time Director)	59461	1.90	-	-	-	59461	1.90
5	Shri Subhash J. Shah (Whole-time Director)	156700	5.00	-	-	-	156700	5.00
6	Ms. Nita B. Shah (Independent- Non-Executive)	NIL	NIL	-	-	-	NIL	-
7	Shri Ajay R. Gandhi (HUF) (Independent- Non-Executive)	3000	0.10	-	-	-	3000	0.10
8	Shri Umesh P. Mehta (Independent- Non-Executive)	NIL	NIL	-	-	-	NIL	-
9	Shri Virendra B. Shah (Independent- Non-Executive)	NIL	NIL	-	-	-	NIL	-
10	Shri Nirav D. Shah (Independent- Non-Executive)	NIL	NIL	-	-	-	NIL	-
11	Ms. Apexa Panchal (Company Secretary)	NIL	NIL	-	-	-	NIL	-

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V. Indebtedness

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7638585	0	0	7638585
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	7638585	0	0	7638585
Change in indebtedness during the financial year				
Addition	700000	0	0	700000
Reduction	4266567	0	0	4266567
Net Change	(3566567)	0	0	(3566567)
Indebtedness at the end of the financial year				
i) Principal Amount	4072018	0	0	4072018
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	4072018	0	0	4072018

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/ or Manager

Amount (in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD /WTD/ Ex. Dir. / Manager					Total
		Shri Bhupendra J. Shah	Shri Jaykumar J. Shah	Shri Shailesh J. Shah	Shri Bharat J. Shah*	Shri Subhash J. Shah	
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	694,910	694,910	658,970	694,910	694,910	3,438,610
	(b) Value of perquisites u/s 17(2) of the Income Tax, 1961	—	—	—	—	—	—
	(C) Profit in Lieu of Salary u/s 17(3) of the Income Tax, 1961	—	—	—	—	—	—
2	Stock Option	—	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—	—
4	Commission	—	—	—	—	—	—
	As % of Profit	—	—	—	—	—	—
	Others Specify	—	—	—	—	—	—
5	Others, Please Specify	—	—	—	—	—	—
	Total(A)	694,910	694,910	658,970	694,910	694,910	3,438,610
	Ceiling as per Act	—	—	—	—	—	—

* Shri Bharat J. Shah is the CFO as well as Whole Time Director of the Company.

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B. Remuneration to Other Director

Amount (in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors					Total
		Ms. Nita B. Shah	Shri Ajay R. Gandhi	Shri Umesh P. Mehta	Shri Virendra B. Shah	Shri Nirav D. Shah**	
1	Independent Directors						
	· Fees for attending Board, Committee Meetings	7,500	7,500	7,500	7,500	7,500	37,500
	· Commission	—	—	—	—	—	—
	Others, Please Specify	—	—	—	—	—	—
	Total(1)	7,500	7,500	7,500	7,500	7,500	37,500
2	Other Non- Executive Directors						
	· Fees for attending Board, Committee Meetings	—	—	—	—	—	—
	· Commission	—	—	—	—	—	—
	Others, Please Specify	—	—	—	—	—	—
	Total (2)	—	—	—	—	—	—
	Total B = (1+2)	7,500	7,500	7,500	7,500	7,500	37,500
	Total Managerial Remuneration *	—	—	—	—	—	34,76,110
	Overall ceiling as per Act.	—	—	—	—	—	—

* Total remuneration to Managing Director, Whole-Time Director and Other Directors (being total of A & B)

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD:

Amount (in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO*	Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	—	—	428,866	428,866
	(b) Value of perquisites u/s 17(2) of the Income Tax, 1961	—	—	—	—
	(C) Profit in Lieu of Salary u/s 17(3) of the Income Tax,1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission	—	—	—	—
	As % of Profit	—	—	—	—
	Others Specify	—	—	—	—
5	Others, Please Specify	—	—	—	—
	Total(A)	—	—	428,866	428,866
	Ceiling as per Act	—	—	—	—

* Covered under A. above

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VII. Penalties/Punishment/ Compounding of Offences: Not Applicable

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any, (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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Report on Corporate Governance

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. **BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

The Company has built its Corporate Governance practices on the basis of Transparency and Accountability. The Company's philosophy is to develop the desired framework and institutionalize the spirit it entails. The Company is in full compliance with the Corporate Governance norms as stipulated in the Listing Regulations. The Board considers itself as a Trustee of company's shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth.

This report sets out the governance systems and processes of the Company, as set out in the Listing Regulations for the financial year ended 31st March, 2018.

2. **BOARD OF DIRECTORS**

- **Composition of the Board (Board)**

The Composition of the Board of Directors of the Company is in conformity with the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.

The Board of Directors as on the date of this report comprises of Ten Directors, of which Five are Executive Directors and the remaining Five are Non- executive Directors including one woman Director (1/2 of Board Strength), representing optimum combination of professionalism, knowledge and experience to ensure the independence of the Board and to separate the Board functions of governance and management.

None of the Directors on the Company's Board is a member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being, Audit Committee and Stakeholders Relationship Committee) across all Public companies in which he/she is a Director. All the Directors have made necessary disclosures regarding the positions held by them in Committees of other Companies and also Directorship of other Companies.

Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) along with the Directorship(s)/ Committee membership(s) held by them in other Companies:

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Name of the Directors	Category	Attendance Particulars		No. of Directorships held in other Public Ltd. Companies Incorporated in India*	Committee Memberships*	
		Board Meeting	Last AGM		Member	Chairman
Shri Bhupendra J. Shah	Whole time Director Chairman - Executive (Promoter)	5	Yes	Nil	Nil	Nil
Shri Jaykumar J. Shah	Whole time Director (Vice Chairman) – Executive (Promoter)	5	Yes	Nil	Nil	Nil
Shri Shailesh J. Shah	Managing Director– Executive (Promoter)	5	Yes	Nil	Nil	Nil
Shri Subhash J. Shah	Whole Time Director– Executive (Promoter)	4	Yes	Nil	Nil	Nil
Shri Bharat J. Shah	CFO & Whole Time Director - Executive (Promoter)	5	Yes	Nil	Nil	Nil
Smt. Nita B. Shah	Independent, Non executive	5	Yes	Nil	Nil	Nil
Shri Ajay R. Gandhi	Independent, Non executive	5	Yes	Nil	Nil	Nil
Shri Umesh P. Mehta	Independent, Non executive	5	Yes	Nil	Nil	Nil
Shri Virendra B. Shah	Independent, Non executive	5	Yes	Nil	Nil	Nil
Shri Nirav D. Shah	Independent, Non executive	5	Yes	Nil	Nil	Nil

* For the purpose of considering the number of Directorships and Committee membership/Chairpersonship, all public limited companies (other than Hipolin Limited), whether listed or not, are included and all other companies including private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 are excluded. Details of Committee comprise only membership/chairpersonship of Audit Committee and Stakeholders Relationship Committee.

Note: Shri Bhupendra J. Shah, Shri Jaykumar J. Shah, Shri Shailesh J. Shah, Shri Subhash J. Shah, Shri Bharat J. Shah are Brothers. Remaining Directors are not related inter-se.

During the year, there have been no materially significant related party transactions, pecuniary relationships or transactions between the company and its non-executive Directors that may have potential conflict with the interests of the Company at large.

• Board Meetings and Attendance

The Meeting of the Board of Directors is scheduled in advance. The Board meets at least once in a quarter and time elapsed between two meetings has not exceeded 120 days, *inter-alia*, to review the performance of the Company and consideration of quarterly financial results. Generally, the Board Meetings are held in Ahmedabad where the Corporate Office of the Company is situated. Each time, a detailed agenda is prepared in consultation with the Managing Director & Whole-Time Directors.

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The agenda for the Board Meeting is circulated to all the Directors atleast 7 days prior to the date of the Meeting. Senior executives are also invited to attend the Board meetings as and when required. Five Board meetings were held in the year 2017-18. The dates on which meetings were held are as follows:

No.	Date of Meeting	No. of Directors Present
1	26 th May, 2017	10
2	13 th September, 2017	10
3	13 th December, 2017	10
4	13 th February, 2018	10
5	26 th March, 2018	9

- **Independent Directors**

Independent Directors are Non- Executive Directors as defined under the Listing Regulations. All Independent Directors fulfil the criteria of independence as specified by the Listing Regulations and Section 149 of the Act. The maximum tenure of the Independent Directors is in compliance with the Act. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

The Independent Directors meet at least once in a financial year without the presence of Promoter Directors and management personnel. They discuss the matters pertaining to the business and other related affairs of the Company. The views expressed at such meeting are brought to the knowledge of the Chairman.

A Separate meeting of the Independent Directors was held on 26th March, 2018. All the Independent Directors were present at the meeting.

- **Selection of New Directors:**

Firstly, the Nomination and Remuneration Committee identifies, based on Company's policy for such position, suitable person having an expert knowledge and skill in his / her profession / area of business and who can effectively participate in Board proceedings and recommends the same to the Board. The Board after evaluating the said Committee's recommendation takes the decision which according to the Board is in the best interest of the Company.

- **Code of Conduct:**

The Company has in place separate text of Code of Conduct – one for all the Directors and the other for all Senior Management Personnel. It seeks to achieve, among others, higher standards of personal and professional integrity. A copy of the code has been placed on the Company's website (www.hipolin.com). The code has been circulated to all the Directors and Senior Management Personnel and they affirm its compliance every year.

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3. COMMITTEES OF THE BOARD:

(A) **Audit Committee**

The members of the Audit Committee have wide exposure and knowledge in areas of finance and accounting. The terms of reference of the Audit Committee have been drawn up in line with Regulation 18 of SEBI (LODR) Regulations, 2015 and Provisions of Section 177 of the Companies Act, 2013. The Audit Committee, *inter alia*, provides reassurance to the Board on the existence of an effective internal control environment.

The terms of reference of the Committee are described below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of Section 134 of the Companies Act, 2013,
 - b) Changes, if any, in accounting policies and practices and reasons for the same,
 - c) Major accounting entries involving estimates based on the exercise of judgment by management,
 - d) Significant adjustments made in the financial statements arising out of audit findings,
 - e) Compliance with listing and other legal requirements relating to financial statements,
 - f) Disclosure of any related party transactions,
 - g) Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before its submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

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7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval of any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors, any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the areas noted above, Audit Committee looks into controls and security of the Company's internal control systems and internal audit reports.

The Audit Committee comprises of three Independent Directors namely Smt. Nita B. Shah, Shri Ajay R. Gandhi and Shri Virendra B. Shah as the members of the Committee. Smt. Nita B. Shah is the Chairperson of the Committee.

Meetings of the Audit Committee are also attended by the CFO, Statutory Auditors and the Internal Auditors as permanent invitees. The Company Secretary acts as the Secretary to the Committee. Four (4) Audit Committee meetings were held, during FY 2017-18, on 26th May, 2017, 13th September, 2017, 13th December, 2017 and 13th February, 2018.

Composition of the Committee as on 31st March, 2018 and details of attendance of the members at Committee meetings during the year are given below:

HIPOLIN LIMITED

Name	Category	No. of Committee Meetings attended
Smt Nita B. Shah (Chairperson)	Independent Director	4
Shri Ajay R. Gandhi	Independent Director	4
Shri Virendra B. Shah	Independent Director	4

(B) Nomination and Remuneration Committee:

In terms of Regulation 19 of SEBI (LODR) Regulations, 2015 and Provisions of Section 178(1) of the Companies Act, 2013, the Nomination and Remuneration Committee ("NRC") has been constituted.

The terms of reference of the Committee are described below:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees;
3. To formulate the criteria for evaluation of Independent Directors and the Board;
4. To devise a policy on Board Diversity;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

During FY 2017-18, the NRC comprises of three (3) Independent Directors namely, Shri Ajay R. Gandhi, Smt. Nita B. Shah and Shri Umesh P. Mehta as the members of the Committee. Mr. Ajay R. Gandhi is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

The Company has adopted a Nomination and Remuneration policy. The Nomination and Remuneration Policy is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 178 read with the applicable rules thereto and Regulation 19(4) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. The key objective of the remuneration policy is to ensure that it is aligned to the overall performance of the Company and the remuneration paid to the Directors is in line with the remuneration policy of the Company. The remuneration policy is placed on the website of the Company.

Two (2) Committee meetings were held during FY 2017-18, on 26th May, 2017 and 26th March, 2018. Composition of the Nomination and Remuneration Committee as on 31st March, 2018 and details of attendance of the members at Committee meetings during the year are given below:

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Name	Category	No. of Committee Meetings attended
Shri Ajay R. Gandhi (Chairman)	Independent Director	2
Smt Nita B. Shah	Independent Director	2
Shri Umesh P. Mehta	Independent Director	2

Remuneration to Directors:

(a) Pecuniary Relationship of Non- Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board meetings.

(b) Remuneration paid to Directors:

The Executive Directors of the Company viz., Managing Director and Whole Time Directors have been appointed in terms of the resolutions passed by the shareholders at the annual general meetings. Elements of the remuneration package comprise of salary, perquisites and other allowances as approved by the members at the annual general meetings. The Independent Directors are paid sitting fees. Sitting fees to the Independent Directors are being paid as permissible under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details relating to remuneration of Directors, as required under Regulation 34 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 are as follows during FY 2017-18:

Amount (in Rs.)

Directors	Salaries	Perquisites	Sitting Fees	Total
Shri Bhupendra J. Shah	6,94,910	Nil	Nil	6,94,910
Shri Jaykumar J. Shah	6,94,910	Nil	Nil	6,94,910
Shri Shailesh J. Shah	6,58,970	Nil	Nil	6,58,970
Shri Bharat J. Shah	6,94,910	Nil	Nil	6,94,910
Shri Subhash J. Shah	6,94,910	Nil	Nil	6,94,910
Smt. Nita B. Shah	Nil	Nil	7,500	7,500
Shri Ajay R. Gandhi	Nil	Nil	7,500	7,500
Shri Umesh P. Mehta	Nil	Nil	7,500	7,500
Shri Virendra B. Shah	Nil	Nil	7,500	7,500
Shri Nirav D. Shah**	Nil	Nil	7,500	7,500

The Company has not granted any stock options to its Directors.

HIPOLIN LIMITED

(C) Stakeholders' Relationship Committee

Stakeholders' Relationship Committee has been constituted to monitor, review and redressal of investors' grievances of security holders, if any, like Transfer / Transmission / Demat of Shares, Non-receipt of Annual Report, Non-receipt of Declared Dividends, Loss of Share Certificates etc. It comprises of Shri Ajay R. Gandhi, Independent and Non-Executive Director as Chairman of the Committee, Shri Shailesh J. Shah, Managing Director and Shri Jaykumar J. Shah, Whole Time Director as the members of the committee. At present, Ms. Apexa Panchal, Company Secretary is the Compliance Officer of the Company.

During the FY 2017-18, Five (5) Committee meetings were held on 26th May, 2017; 13th September, 2017; 13th December, 2017, 13th February, 2018 and 26th March, 2018 and details of attendance of the members at Committee meetings during the year are given below:

Name	Designation	No. of Committee Meetings attended
Shri Ajay R. Gandhi (Chairman)	Independent Director	5
Smt Shailesh J. Shah	Managing Director	5
Shri Jaykumar J. Shah	Whole Time Director	5

During the year, no complaints were received from the security holders as per the certificate of RTA. The Company had no transfers pending at the close of the financial year.

Compliance Officer:

Ms. Apexa Panchal,

Company Secretary and Compliance Officer can be contacted at:

Hipolin Limited

Corporate Office:

45, 4th Floor, "Madhuban",

Nr. Madalpur Gamala, Ellisbridge,

Ahmedabad- 380006.

Phone No. : 079-26447730/31

Mail ID: csapexapanchal@gmail.com

(D) Management Committee

The Management Committee comprises of 4 Members namely (1) Shri Shailesh J. Shah, Managing Director (2) Shri Bhupendra J. Shah, Whole Time Director (Chairman), (3) Shri Bharat J. Shah, CFO & Whole time Director and (4) Shri Jaykumar J. Shah, Whole Time Director (Vice-Chairman). The Committee looks after businesses which are administrative in nature and within the overall Board approved directions and framework. Four Meetings were held during the year. The Company Secretary acts as the Secretary to the Committee.

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4. **DISCLOSURES**

- a) The Company has no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors, the management or their relatives etc. that may have potential conflict with the interests of the Company at large.

Details of related party transactions are elaborated in Note No. 38 to the financial statements. The Company has formulated a policy on materiality of Related party Transactions and also on dealing with Related party transactions and during the year, there were no material transactions with related parties. The policy is also available on the website of the Company. (www.hipolin.com)

- b) There were no instances of non-compliance by the Company or Penalties imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.
- c) The Company has put in place the Whistle Blower Policy and the same is available on the website of the Company. Under the said policy, the employees are encouraged to report genuine concerns about suspected misconduct without fear of punishment or unfair treatment. During the year under review, no employee was denied the access to the Audit Committee and / or its Chairman.
- d) The Company has complied with all mandatory requirements of Regulations 17 to 27 of SEBI (LODR) Regulations, 2015.

5. **CODE OF CONDUCT**

The Company's code of conduct is based on its values and clarifies the principles and expectations for everyone who works at the Company. It applies to all the employees, officers and members of the Board of the Company. The Code of Conduct is available on the website of the Company www.hipolin.com. The Board of Directors is responsible for ensuring that rules are in place to avoid conflict of interest by the Board members and the Management. The Board has adopted the Code of Conduct for the members of the Board and Senior Management Team and the same is available on the website of the Company www.hipolin.com. The Company has in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to Insiders. The code ensures prevention of dealing in shares by the persons having access to the unpublished price sensitive information.

6. **MEANS OF COMMUNICATION WITH SHAREHOLDERS**

The Company regularly interacts with shareholders through multiple channels of communication such as results' announcement, annual report, media releases, company's website and subject specific communications.

During the year, the quarterly, half yearly and annual financial results of the Company's performance were submitted to the Stock Exchange (BSE) soon after its approval by the Board of Directors at their Meetings and were also published in English and vernacular newspapers. Annual financial performance of the Company is also posted on the Company's website i.e. www.hipolin.com.

The Quarterly Results, Shareholding Patterns and all other corporate communication to the Stock Exchange are filed through BSE Listing Center, for dissemination on their website.

The report on Management Discussion and Analysis is annexed and forms part of the annual report.

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7. DETAILS OF GENERAL MEETINGS

Location, date and time of General Meetings held during the last 3 years:

Meeting	Year	Venue of General Meeting	Date & Time	No. of Special Resolutions
22 nd AGM	2014 - 2015	A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	September 30, 2015 at 2.00 p.m.	Five
23 rd AGM	2015 - 2016	A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	September 30, 2016 at 2.00 p.m.	One
24 th AGM	2016 - 2017	A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist. : Ahmedabad-382170.	September 29, 2017 at 2.00 p.m.	None

*At all the above AGMs, Special Resolutions were passed by poll and by e-voting in accordance with the applicable provisions of Section 108 of the Act and rules made thereunder.

Details of resolutions passed during F.Y. 2017-18 through postal ballot: NIL

Day, Date, time and venue of 25th Annual General Meeting:

Friday, 28th September, 2018 at 2.00 p.m. at registered office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Book Closure Date: From Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive)

Financial Calendar (Tentative)

Financial reporting for the quarter ending June 30, 2018	Second week of August, 2018
Financial reporting for the quarter/half year ending September 30, 2018	Second week of November, 2018
Financial reporting for the quarter ending December 31, 2018	Second week of February, 2019
Financial reporting for the year ending March 31, 2019	Fourth week of May, 2019
Annual General Meeting for the year ending March 31, 2019	September, 2019

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8. STOCK PRICE:

High/Low of monthly Market Price of Company's Equity Shares traded on the Bombay Stock Exchange during the financial year 2017-18 is furnished below:

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2017	48.75	40.40	6225
May, 2017	44.00	42.00	1615
June, 2017	42.20	35.35	5269
July, 2017	35.70	28.60	1697
August, 2017	27.20	25.85	140
September, 2017	26.00	26.00	270
October, 2017	38.25	36.35	9738
November, 2017	36.25	34.45	6929
December, 2017	34.45	30.70	3101
January, 2017	33.15	31.50	3117
February, 2017	31.50	31.45	525
March, 2017	38.00	34.40	8570

The year-end price of the equity share of the Company at BSE Limited was Rs. 34.40

Share Price Performance in comparison to broad based indices such as BSE Sensex as on March 31, 2018:

	BSE (% Change)	
	Hipolin Limited	Sensex
F.Y. 2017-18	(-21.64%)	11.30%

9. SHARE TRANSFER SYSTEM

Transfer of shares held in physical mode is processed by Registrar and Share Transfer Agent M/s. Link Intime (India) Pvt. Ltd. Valid Share transfers in physical form and complete in all respects were approved, registered and dispatched within stipulated period.

Reconciliation of Share Capital Audit & Certificate pursuant to Regulation 40 (9) of SEBI (LODR) Regulations, 2015:

A Practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

HIPOLIN LIMITED

Pursuant to Regulation 40 (9) of SEBI (LODR) Regulations, 2015, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

Dematerialization of Shares and Liquidity

As on March 31, 2018, 95.68 %shares of the Company were held in dematerialized form and the rest in physical form. The shares are traded on BSE Limited.

Distribution of Shareholding as on March 31, 2018.

Category (shares)	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	1951	87.61%	252272	8.06%
501-1000	162	7.28%	120137	3.84%
1001-2000	45	2.02%	64859	2.07%
2001-3000	17	0.76%	42767	1.37%
3001-4000	9	0.40%	31212	0.99%
4001-5000	9	0.40%	40967	1.31%
5001-10000	4	0.18%	30525	0.97%
Above10001	30	1.35%	2548561	81.39%
Total	2227	100.00%	3131300	100.00%

Categories of Shareholders, Category-wise Shareholding as on March 31, 2018

Category	No. of Shares held	% to Total Shares
Individuals	839773	26.82%
Promoters	2130816	68.05%
Central Government/ State Government (Investors Education and Protection Fund)	85391	2.72%
Non Resident Indians	1455	0.05%
Other Bodies Corporate	42799	1.37%
Others	31066	0.99%

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Listing on Stock Exchanges at:

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Listing fees for the year 2017-18 have been paid to the Stock Exchange.

Stock Codes : Bombay Stock Exchange 530853
Demat ISIN No. in NSDL & CDSL for Equity Shares INE963A01011

Registered Office & Factory: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway,
Nr. Iyava Bus Stand, Via Virochannagar,
(P.O.) Ta. : Sanand, Dist.:Ahmedabad-382170.

Corporate Office: 45, Madhuban, 4th Floor, Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad – 380006.
Tele. No. (079) 26447730-31

Contact Person: Ms Apexa Panchal
Company Secretary

E-mail: hipolin@hipolin.com, csapexapanchal@gmail.com

Website: www.hipolin.com

Registrar & Transfer Agent: **Link Intime India Private Limited**
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083

Corporate Office at Ahmedabad:
5th Floor, 506 to 508,
Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner,
Off C G Road, Ellisbridge, Ahmedabad - 380006.

Declaration:

In accordance with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics for Board of Directors, Senior Management & Employees, as applicable to them, for the financial year ended March 31, 2018.

Date: May 29, 2018
Place: Ahmedabad

For Hipolin Limited,

Shailesh J. Shah
Managing Director
(DIN: 00777653)

HIPOLIN LIMITED

CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (LODR) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Regulation 26 (3) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2018.

Date: May 29, 2018
Place: Ahmedabad

For Hipolin Limited,

Shailesh J. Shah
Managing Director
(DIN: 00777653)

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CEO / CFO CERTIFICATION

UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

To,

The Board of Directors,

Hipolin Limited

- (1) We have reviewed financial statements and the cash flow statement of Hipolin Limited for the year ended March 31, 2018 and hereby certify that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) During the year, to the best of our knowledge and belief, there are no transactions entered into by the Company which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (3) We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal control.
- (4) We have indicated to the Auditor and the Audit Committee :
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Date : May 29, 2018

(Bharat J. Shah)

(Shailesh J. Shah)

Place : Ahmedabad

**Chief Financial Officer
& Whole-time Director
(DIN: 00777734)**

**Managing Director
(DIN: 00777653)**

HIPOLIN LIMITED

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Hipolin Limited

We have examined all relevant records of **HIPOLIN LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated under Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the year ended on March 31, 2018.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulation 15 of SEBI Listing Regulations.

This certificate is issued solely for the purpose of complying with the aforesaid regulations.

For Borkar & Muzumdar

Chartered Accountants

Firm Registration Number: 101569W

Date: May 29, 2018

Place: Ahmedabad

Gunvant K Kotadia

Partner

Membership Number: 033190

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Independent Auditors' Report

To the Members of Hipolin Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Hipolin Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

HIPOLIN LIMITED

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, is based on the previously issued statutory financial statements for the year ended March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which was audited by the predecessor auditor who expressed an unmodified opinion vide report dated May 26, 2016. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.
10. The comparative financial information of the Company for the year ended March 31, 2017 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide report dated May 26, 2017. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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12. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the director 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 the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements.- Refer Note 39 of financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
 - iii. There has been no delay in transferring amounts, required to be transferred , to the Investor, Education and Protection Fund by the Company.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Borkar & Muzumdar

Chartered Accountants

Firm Registration Number: 101569W

Date: May 29, 2018

Place: Ahmedabad

Gunvant K Kotadia

Partner

Membership Number: 033190

HIPOLIN LIMITED

“Annexure A” to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Hipolin Limited on the standalone financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Hipolin Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. 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.
5. 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.

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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration Number: 101569W

Date: May 29, 2018
Place: Ahmedabad

Gunvant K Kotadia
Partner
Membership Number: 033190

HIPOLIN LIMITED

“Annexure B” to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Hipolin Limited on the standalone financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. No discrepancies noticed on physical verification of inventory.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Act.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. However company has maintained the cost records, we have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and as per the records of the Company examined by us, there are dues of Income Tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

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Sr. No.	Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
01	Income Tax Act, 1961	Income Tax & Interest	20,92,950	Asst. Year 2012-13	Income Tax Appellate Tribunal
	Total		20,92,950		

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). The loans were applied for the purposes for which those were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. 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. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Borkar & Muzumdar

Chartered Accountants

Firm Registration Number: 101569W

Gurvant K Kotadia

Partner

Membership Number: 033190

Date: May 29, 2018

Place: Ahmedabad

HIPOLIN LIMITED

BALANCE SHEET AS AT 31st March 2018

(Amount in Rs. Unless otherwise stated)

Particulars	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
I ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment	3	20,492,060	21,242,347	24,318,012
(b) Financial assets				
(i) Investments	4	2,164,519	2,591,319	5,818,738
(ii) Loans	5	390,941	377,919	0
(iii) Other financial assets	6	22,199,630	19,169,053	29,585,739
(c) Other non current assets	7	3,322,566	9,925,710	11,764,171
Total non current assets		48,569,715	53,306,348	71,486,660
2 Current Assets				
(a) Inventories	8	13,126,895	6,298,717	6,538,664
(b) Financial assets				
(i) Investments	4	184,172	322,767	0
(ii) Trade receivables	9	21,843,442	18,761,655	17,128,521
(iii) Cash and cash equivalents	10	1,023,006	6,069,974	866,380
(iv) Bank balances other than (iii) above	11	3,100,000	4,619,262	129,489
(v) Loans	12	413,685	526,319	616,484
(vi) Other financial assets	13	79,159	272,474	217,656
(c) Other current assets	14	1,454,611	5,074,565	8,497,149
Total current assets		41,224,970	41,945,733	33,994,343
TOTAL ASSETS		89,794,685	95,252,081	105,481,003
II EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	15	31,313,000	31,313,000	31,313,000
(b) Other equity	16	35,280,278	44,789,640	50,817,967
Total equity		66,593,278	76,102,640	82,130,967
LIABILITIES				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	448,735	641,385	2,960,870
(b) Retirement Benefit Obligations	18	120,080	0	0
(c) Deferred tax liabilities (Net)	19	0	0	1,786,168
Total non current liabilities		568,815	641,385	4,747,038
2 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	20	2,764,867	6,963,538	9,032,842
(ii) Trade payables	21	15,384,159	5,558,903	3,456,022
(iii) Other financial liabilities	22	861,416	2,440,278	2,926,546
(b) Other current liabilities	23	2,573,548	2,637,670	2,315,430
(c) Provisions	24	1,048,602	907,667	872,158
Total current liabilities		22,632,592	18,508,056	18,602,998
Total liabilities		23,201,407	19,149,441	23,350,036
TOTAL EQUITY AND LIABILITIES		89,794,685	95,252,081	105,481,003

The accompanying notes are an integral part of the Financial Statement

As per our report of even date attached

FOR BORKAR & MUZUMDAR

Chartered Accountants

Firm Registration No.: 101569W

CA GUNVANT K KOTADIA

PARTNER

Membership No.: 033190

FOR & ON BEHALF OF THE BOARD

Bhupendra J. Shah

Chairman

DIN: 00325446

Shailesh J. Shah

Managing Director

DIN: 00777653

Bharat J. Shah

Chief Financial Officer & Whole time Director

DIN: 00777734

Apexa Panchal

Company Secretary

ICSI Membership No: 35725

Date : May 29, 2018

Place: Ahmedabad

Date : May 29, 2018

Place: Ahmedabad

ANNUAL REPORT 2017-2018

Statement of Profit & Loss For the Year ended on 31st March 2018

(Amount in Rs. Unless otherwise stated)

Particulars	Note	Year ended 31 March 2018	Year ended 31 March 2017
I Revenue from operations	25	170,150,189	135,302,753
II Other income	26	1,266,844	1,320,546
III Other Gains /(Losses) - net	27	153,241	105,174
Total income		171,570,274	136,728,473
IV Expenses			
(a) Raw Material Consumed	28	99,919,604	15,839,262
(b) Purchase of stock in trade	29	17,439,431	76,705,191
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	30	(2,381,175)	457,435
(d) Excise Duty		1,233,373	2,880,919
(e) Employee benefits expense	31	23,366,269	16,200,247
(f) Depreciation and amortisation expense	3	2,533,160	3,138,471
(g) Finance costs	32	518,006	975,967
(h) Other expenses	33	38,450,968	28,845,476
Total expenses (IV)		181,079,635	145,042,968
V Profit / (Loss) before tax (III-IV)		(9,509,361)	(8,314,495)
VI Income tax expense			
(a) - Current tax		0	0
(b) - Deferred tax (benefit)/ charge		0	(1,786,168)
(c) - Tax of earlier years		0	(500,000)
Total tax Expenses (VI)		0	(2,286,168)
VII Profit / (Loss) for the year (V-VI)		(9,509,361)	(6,028,327)
VIII Other comprehensive income			
Items that will not be Reclassified to Profit & Loss			
(a) - Actuarial (Gain)/ Losses on Defined Benefit Plan		(1,136,501)	0
- tax impact on Above		0	0
(b) Fair value changes of investment in equity shares		(12,503)	(1,472,180)
Total Other comprehensive income/(loss) for the year		(1,149,004)	(1,472,180)
Total comprehensive income/(loss) for the year		(10,658,365)	(7,500,507)
IX Earnings per Equity shares (Face value per share Rs. 10 each)	34		
Basic		(3.04)	(1.93)
Diluted		(3.04)	(1.93)

The accompanying notes are an integral part of the Financial Statement

As per our report of even date attached

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

CA GUNVANT K KOTADIA
PARTNER
Membership No.: 033190

Date : May 29, 2018
Place: Ahmedabad

FOR & ON BEHALF OF THE BOARD

Bhupendra J. Shah
Chairman
DIN: 00325446

Shailesh J. Shah
Managing Director
DIN: 00777653

Bharat J. Shah
Chief Financial Officer & Whole time Director
DIN: 00777734

Apexa Panchal
Company Secretary
ICSI Membership No: 35725

Date : May 29, 2018
Place: Ahmedabad

HIPOLIN LIMITED

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

(Amount in Rs. Unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) Before Taxation	(9,509,361)	(8,314,495)
<u>Adjustments for:</u>		
Depreciation / Amortisation	2,533,160	3,138,471
Finance Cost	207,235	457,111
Interest Income	(884,752)	(976,075)
Dividend Income	(59,071)	0
Loss on assets sold / discarded (Net)	(40,777)	(48,105)
Operating Profit / (Loss) Before Working Capital Changes	(7,753,567)	(5,743,093)
<u>Adjustments For Changes In Working Capital:</u>		
(Increase)/Decrease In Inventories	(6,828,178)	239,947
(Increase) In Other Non Current Financial Assets	(3,043,599)	10,038,767
(Increase) In Trade receivables	(3,081,787)	(1,633,134)
(Increase) / Decrease In Current Financial Assets - Loans	112,634	90,165
Decrease In Other Current Financial Assets	1,712,577	(4,544,591)
(Increase) / Decrease In Other current assets	3,619,954	3,422,584
Decrease In Other Non current assets	6,603,144	1,838,461
Increase / (Decrease) In Non Current Liabilities	120,080	0
Increase / (Decrease) In Current Liabilities - Provisions	140,934	35,509
Increase / (Decrease) In Other Current Financial Liabilities	9,698,767	1,976,459
Increase / (Decrease) In Other Current Liabilities	(64,122)	322,240
Cash Generated From Operations	1,236,838	6,043,314
Direct Taxes Refund / (Paid) (Net)	0	500,000
A. Net Cash From Operating Activities	1,236,838	6,543,314
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,100,167)	(209,700)
Proceeds from Sale of Fixed Assets	358,070	195,000
(Purchase)/sale of Investments	565,396	2,904,651
Interest Income	884,752	976,075
Dividend Income	59,071	0
B. Net Cash Generated / (Used In) Investing Activities	(232,878)	3,866,026
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds of Long Term Borrowings (net)	0	0
Repayment of Long Term Borrowings (net)	(1,645,023)	(2,679,331)
Net Proceeds / (Repayment) of Working Capital Loan	(4,198,671)	(2,069,304)
Dividend (including tax on dividend)	0	0
Interest	(207,235)	(457,111)
C. Net Cash Used In Financing Activities	(6,050,928)	(5,205,746)
Net Increase in cash and cash equivalents (A+B+C)	(5,046,968)	5,203,594
Cash and Cash Equivalents as at the beginning of the period	6,069,974	866,380
Cash and Cash Equivalents as at the end of the period	1,023,006	6,069,974

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(Amount in Rs. Unless otherwise stated)

PARTICULARS	For the year Ended 31.03.2018	For the year Ended 31.03.2017
Cash and Cash Equivalents:		
Cash on Hand	159,562	350,335
Bank Balances		
- In Current Accounts	863,444	1,019,639
- In Fixed Deposit Account with Bank	0	4,700,000
Effect of exchange differences on balances with banks in foreign currency		
	1,023,006	6,069,974

Notes: (1) The Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS-7 "Statement of Cash Flows".

This is the Standalone Statement of Cash Flows referred to in our report of even date.

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

CA GUNVANT K KOTADIA
PARTNER
Membership No.: 033190

Date : May 29, 2018
Place: Ahmedabad

FOR & ON BEHALF OF THE BOARD

Bhupendra J. Shah
Chairman
DIN: 00325446

Shailesh J. Shah
Managing Director
DIN: 00777653

Bharat J. Shah
Chief Financial Officer & Whole time Director
DIN: 00777734

Apexa Panchal
Company Secretary
ICSI Membership No: 35725

Date : May 29, 2018
Place: Ahmedabad

HIPOLIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1 Background of the Company

Hipolin Limited ("The Company") was incorporated on March 31, 1994 under the provision of the Companies Act, 1956. The Company is engaged in manufacturing of Detergent Powder & Cake and alike products. The manufacturing facility for the same is set up at A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway, Nr Iyava Bus Stand, Via Virochannagar (P. O.) Ta. : Sanand, Dist.: Ahmedabad, Gujarat. The equity shares of the Company are listed on BSE Limited.

2 Significant accounting policies

This Note provides a list of the significant accounting policies adopted by the Company in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

i) Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Refer note 40 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

ii) New standards or interpretations adopted by the Company

- a) The Company has applied the following amendment for the first time for its annual reporting period commencing 1st April, 2017:

Amendment to Ind AS 7 "Statement of Cash Flows": The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of these amendments did not have any impact on the amounts recognised in prior periods. When the Company first applies these amendments, it is not required to provide comparative information for preceding periods.

- b) New standards or interpretations issued but not yet effective. The Company will apply the following standard for the first time for its annual reporting period commencing 1st April, 2018:

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Ind AS 115 – Revenue from Contracts / from Customers The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28 March 2018 which includes Ind AS 115 'Revenue from Contracts with Customers'. This will replace Ind AS 18 which covers contracts for goods and services and Ind AS 11 which covers construction contracts.

Ind AS 115 – Revenue from contracts with Customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new standard will come into effect for the annual reporting periods beginning on or after April 1, 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

In order to identify the potential impact of the standard on the Company's financial statement, the Company is analysing contracts of the revenue streams of the Company. The Company has begun the analysis on the key areas identified, in order to estimate the effect of the application of the new standard for which the work is ongoing and impact areas may be identified as we progress further in the implementation process. As a result, at this stage the Company is not able to estimate the impact of the new standard on the Company's financial statements. The Company will make more detailed assessments of the impact over the following periods.

iii) **Historical cost convention**

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value; and
- Defined benefit plans - plan assets measured at fair value.

iv) **Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, all other assets are classified as non-current.

HIPOLIN LIMITED

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

b) Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian rupee (INR).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date are recognised in the Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

c) Revenue recognition

Sale of products

Timing of recognition:

Revenue from Sales of goods is recognized when significant risks and rewards of ownership of goods have been passed on to the buyers.

Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise duty and net of returns, trade allowances, rebates, and amounts collected on behalf of third parties, valued added tax, goods and service tax (GST).

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d) **Income tax**

The income tax expense or credit for the period is the tax on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity in which case, the tax is recognised in other comprehensive income or directly in equity, respectively.

e) **Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Assets are reviewed for possible reversal of the impairment at the end of each reporting period.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

HIPOLIN LIMITED

f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g) Trade receivables

Trade receivables are recognised initially at fair value less provision for impairment, if any. The trade receivables are non interest bearing.

h) Inventories

Raw materials, packing material, trading goods, stores and finished goods are stated at the lower of cost and net realisable value. The cost of raw materials, packing materials, trading goods, stores are determined based on first-in, first-out (FIFO) method and comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

i) Financial assets and liabilities

(I) Financial assets

1. Classification

The Company classifies its financial assets in the following measurement categories:

- at fair value (either through other comprehensive income, or through profit or loss), and
- at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable selection at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

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2. Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

3. Subsequent Measurement

Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any. The amortisation of EIR and loss or gains arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVOCI): Financial assets that are held within a business model whose objective is, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to "Profit or Loss" in the Statement of Profit and Loss.

Measured at fair value through profit or loss (FVPL): A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at Fair Value through Other Comprehensive Income (FVOCI) are not reported separately from other changes in fair value.

4. Impairment of financial assets

The Company is required to assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether

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there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

5. Derecognition

A financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset or, retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

6. Income recognition

Interest income from debt instruments is recognised using the EIR method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(ii) Financial liabilities:

1. Initial Recognition and Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

2. Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

3. Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and

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settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

k) **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expense.

i) **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii) **Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on pro-rata basis on the straight-line method over the estimated useful life as per Part-C of Schedule II of the Companies Act, 2013.

Estimated useful life of the assets/significant component thereof are as under:

Assets Class	Useful life in years
Buildings	30 to 60
Plant and Machinery	3 to 10
Furniture and Fixtures	10
Vehicles	8 to 10

l) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

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m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/expenses.

n) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

o) Provisions and Contingencies

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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p) Employee Benefits

(i) Defined contribution plans

Company's contribution to Provident fund and other funds are determined under the relevant schemes and/or statute and charged to revenue. The Company contributes to a Government administered Provident Fund and has no further obligation beyond making its contribution.

The Company makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to Statement of Profit and Loss every year.

(ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees, which is funded. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet

Gratuity Fund contributions are made to a trust administered by the Company which has further invested in Life Insurance Corporation. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

(iii) Other employee benefits

Termination benefits in the nature of compensated absences at the time of retirement are recorded in the Statement of Profit and Loss as and when incurred / paid.

q) Segment reporting

The company has only one reportable Business Segment i.e. Detergent Powder & Cake as Primary Segment

r) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

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ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees.

3 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation – Note 24
- Impairment of trade receivables – Note 36
- Estimation of useful life of tangible assets – Note 2 (k) (ii)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company.

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NON-CURRENT ASSETS

3 Property, Plant and Equipment

(Amount in Rs. Unless otherwise stated)

PARTICULARS	GROSS BLOCK (at carrying amount)					ACCUMULATED DEPRECIATION					NET BLOCK		
	st / deemed cost As at 01.04.2017	Additions during the year	Disposal during the year	Translation Adjustments	As at 31.03.2018	As at 01.04.2017	Charge for the year	Disposal during the year	Translation/Deuction/ Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017	
1.Freehold Land	5,855,860	0	0	0	5,855,860	0	0	0	0	0	5,855,860	5,855,860	
2.Factory Building	2,340,771	702,545	18,702	0	3,024,614	135,104	208,278	0	0	343,382	2,681,232	2,205,667	
3.Office Building	2,084,405	0	0	0	2,084,405	87,545	59,759	0	0	147,304	1,937,101	1,996,860	
4.Plant & Machineries	2,135,770	464,882	0	0	2,600,652	325,190	328,216	0	0	653,406	1,947,246	1,810,580	
5.Furniture & Fixtures	691,445	0	0	0	691,445	188,652	118,134	0	0	306,786	384,659	502,793	
6.Vehicles	11,258,556	932,740	513,680	0	11,677,616	2,387,970	1,818,773	215,089	0	3,991,654	7,685,962	8,870,587	
										0			
Total	24,366,807	2,100,167	532,382	0	25,934,592	3,124,461	2,533,160	215,089	0	5,442,532	20,492,060	21,242,347	

PARTICULARS	GROSS BLOCK (at carrying amount)					ACCUMULATED DEPRECIATION					NET BLOCK		
	cost / deemed cost As at 01.04.2016	Additions during the year	Disposal during the year	Translation Adjustments	As at 31.03.2017	As at 01.04.2016	Charge for the year	Disposal during the year	Translation/Deuction/ Adjustments	As at 31.03.2017	As at 31.03.2017	As at 1.04.2016	
1.Freehold Land	5,855,860	0	0	0	5,855,860	0	0	0	0	0	5,855,860	5,855,860	
2.Factory Building	2,340,771	0	0	0	2,340,771	0	135,104	0	0	135,104	2,205,667	2,340,771	
3.Office Building	2,084,405	0	0	0	2,084,405	0	87,545	0	0	87,545	1,996,860	2,084,405	
4.Plant & Machineries	1,926,070	209,700	0	0	2,135,770	0	325,190	0	0	325,190	1,810,580	1,926,070	
5.Furniture & Fixtures	691,445	0	0	0	691,445	0	188,652	0	0	188,652	502,793	691,445	
6.Vehicles	11,419,461	0	160,905	0	11,258,556	0	2,401,980	14,010	0	2,387,970	8,870,587	11,419,461	
					0								
Total	24,318,012	209,700	160,905	0	24,366,807	0	3,138,471	14,010	0,00	3,124,461	21,242,347	24,318,012	

Notes:

(i) Refer note 16 & 19 for information on property, plant and equipment hypothecated and / or mortgaged as security by the company.

NON-CURRENT FINANCIAL ASSETS

4 Investments

Numbers			Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(A) Investment in Equity instruments						
31.03.2018	31.03.2017	01.04.2016	Quoted equity instruments			
4900	4900	4900	Adani Power Limited	443157	443157	443157
0	0	1000	Ballarpur Industries limited	0	0	19250
3000	3000	3000	GMR Infrastructure limited	260732	260732	260732
1100	1100	1100	Reliance Communication limited	443908	443908	443908
0	50	50	Reliance Industrial infrastructure limited	0	67630	67630
0	200	2582	Reliance Industries limited	0	0	3250696
1312	1312	1312	Reliance Power Limited	458363	458363	458363
1000	1000	1000	Tele Data Informatics Ltd	13827	13827	69133
500	500	500	TeleData Marine Solutions Ltd	27653	27653	0
500	500	500	TeleData Technology Solutions Ltd	27653	27653	0
0	1200	950	Torrent Power limited	0	347920	294893
1300	1300	1300	Unitech Limited	49326	49326	49326
Total - A				1724619	2140169	5357088
(B) Un-quoted equity instruments						
0	225	435	AMCO Bank Ltd.	0	11250	21750
17,402	17,402	17,402	K. C. C. B Bank	435050	435050	435050
200	200	200	Global Trust Ltd	4850	4850	4850
Total - B				439900	451150	461650
Total (A+B)				2164519	2591319	5818738
Aggregate amount of quoted investments				1724619	2140169	5357088
Aggregate market value of quoted investments				261832	656017	3284842
Aggregate amount of unquoted investments				439900	451150	461650
Aggregate amount of impairment in value of investments				0	0	0

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CURRENT FINANCIAL ASSETS

4 Investment

(Amount in Rs. Unless otherwise stated)

Numbers			Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(A) Investment in Equity instruments						
31/03/2018	31/03/2017	01/04/2016	Quoted equity instruments			
200	0	0	Arvind Limited	77241	0	0
500	700	0	IDFC Bank Limited	26430	43224	0
100	0	0	Navin Fluorine International Ltd	80502	0	0
0	100	0	Carborundum universal limited	0	25551	0
0	200	2582	Reliance Industries Limited	0	253992	0
			Total	184172	322767	0

5 Loan

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
(Unsecured considered good, unless otherwise stated)			
Loan to Related Parties	0	0	0
Loan to Employees	390,941	377,919	0
Total	390,941	377,919	0

6 Non-current financial assets - Others

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Investment in term Deposits (with remaining maturity of more than twelve months)	11,150,000	3,101,000	9,187,806
Security deposits			
- Related Parties	0	0	0
- Others	162,389	182,389	235,767
Other assets (includes other receivables etc.)	10,887,241	15,885,664	20,162,166
Total	22,199,630	19,169,053	29,585,739

7 OTHERS NON-CURRENT ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Prepaid Expenses	600,000	1,200,000	1,800,000
Balances with Government Authorities	2,424,356	2,176,322	3,350,000
Advances to Vendor / Suppliers	298,210	6,549,388	6,614,171
Security Deposit with customs, ports trust, excise and others government authorities.	0	0	0
Total	3322566	9925710	11764171

CURRENT ASSETS

8 INVENTORIES (Refer Note 2 (h))

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Raw materials	6,666,268	1,115,152	591,811
Packaging Material	1,876,050	2,980,163	3,811,996
Raw materials & Packaging materials in transit	0	0	0
Work-in-progress	0	0	0
Finished goods	4,584,577	1,988,880	1,410,757
Finished goods in transit	0	0	0
Stock-in-trade (Traded goods)	0	214,522	724,100
Stores and spares	0	0	0
Stores and spares in transit	0	0	0
TOTAL	13,126,895	6,298,717	6,538,664

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CURRENT FINANCIAL ASSETS

9 Trade receivables

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Unsecured, considered good	21,843,442	18,761,655	17,128,520
Less: Provision for doubtful	-	-	-
TOTAL	21,843,442	18,761,655	17,128,520

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

10 Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Cash on hand	159,562	350,335	114,795
Balances with Banks			
- In Current Account	863,444	1,019,639	751,585
- Term deposits with original maturity of less than three months	0	4,700,000	0
TOTAL	1,023,006	6,069,974	866,380

11 Bank Balances other than Note No 10 above

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Earmarked balances with banks			
- Unpaid Dividend	0	129,489	129,489
Investments in term Deposit having original maturity of more than three months but less than twelve months	3,100,000	4,489,773	0
TOTAL	3,100,000	4,619,262	129,489

12 Loans

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
(Unsecured considered good, unless otherwise stated)			
Loan & Advances to employees	413,685	526,319	616,484
TOTAL	413,685	526,319	616,484

13 Other Current Financial Assets

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Security deposits	749	0	0
Interest receivables	38,442	272,474	217,656
Others receivables	39,968	0	0
TOTAL	79,159	272,474	217,656

Note:- Interest Receivable consists of accrued interest on fixed deposit with banks

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14 OTHER CURRENT ASSETS

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Advances to Suppliers	615,710	4,012,385	7,617,149
Balances with Govt. Authorities	97,984	326,585	-
Prepaid expenses	740,917	735,595	880,000
TOTAL	1,454,611	5,074,565	8,497,149

15 EQUITY SHARE CAPITAL

Particulars	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
AUTHORISED						
Equity shares of ₹ 10 each	5,000,000	50,000,000	5,000,000	50,000,000	5,000,000	50,000,000
ISSUED, SUBSCRIBED AND FULLY PAID UP						
Equity shares of ₹ 10 each	3,131,300	31,313,000	3,131,300	31,313,000	3,131,300	31,313,000
TOTAL	3,131,300	31,313,000	3,131,300	31,313,000	3,131,300	31,313,000

a) Reconciliation of the Number of Share

Particulars	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	3,131,300	31,313,000	3,131,300	31,313,000	3,131,300	31,313,000
Add: issued during the year	0	0	0	0	0	0
less: shares cancelled on buy back of equity shares	0	0	0	0	0	0
Balance as at the end of the year	3,131,300	31,313,000	3,131,300	31,313,000	3,131,300	31,313,000

Notes : During the period of five financial years immediately preceeding the balance sheet date, the company has not:

- (i) allotted any fully paid-up equity shares by way of bonus shares;
- (ii) allotted any equity share pursuant to any contract without payment being received in cash;
- (iii) bought back any equity shares

b) Right, Preferences and Restriction Attached to Shares

The company has only one class of share referred to as ' equity share' having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity share held by the share holders.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate share in the company

Equity share holders names	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	Number of Shares	% of Share holding	Number of Shares	% of Share holding	Number of Shares	% of Share holding
Shailesh J. Shah	317,595	10.14	317,595	10.14	317,595	10.14
Jyotiben J. Shah	278,900	8.91	278,900	8.91	278,900	8.91
Rumit B. Shah	262,745	8.39	262,745	8.39	262,745	8.39
Bhupendra J. Shah	232,239	7.42	232,239	7.42	232,239	7.42
Subhash J. Shah	156,700	5.00	156,700	5.00	156,700	5.00

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16 OTHER EQUITY

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Capital Reserve	85,341	85,341	85,341
Equity Security Premium	57,428,000	57,428,000	57,428,000
	57,513,341	57,513,341	57,513,341
General Reserve			
Opening balance	5,585,669	5,585,669	5,585,669
Add : Transferred during the year	0	0	0
Less: Transfer to capital redemption reserve	0	0	0
Closing balance	5,585,669	5,585,669	5,585,669
Other Comprehensive Income			
Opening balance	1,472,180	0	0
Add : Re-measurement of defined benefit plans	1,136,501	0	0
Add : Fair value changes of investment in equity shares	12,503	1,472,180	0
Closing balance	2,621,184	1,472,180	0
Retained Earnings			
Opening balance	(19,781,550)	(12,281,043)	(6,417,054)
Add : Retained earnings / (Loss) during the year	(9,509,361)	(6,028,327)	(5,863,988)
Less: Transfer to other comprehensive income	1,149,004	1,472,180	0
Closing balance	(30,439,916)	(19,781,550)	(12,281,043)
TOTAL	35,280,278	44,789,640	50,817,967

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

17 Borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Secured			
Term Loans from Bank (Vehicle Loans)			
- AXIS Bank	0	0	184,113
- HDFC Bank	0	234,231	638,419
- ICICI Bank	0	361,459	1,574,387
Term Loan from Other			
- Kotak Mahindra Prime Ltd.	0	45,694	563,951
- Tata Motors Finance Ltd	448,735	0	0
TOTAL	448,735	641,385	2,960,870

Notes:

The above stated loans from banks & Finance Company are Vehicle Loans which are secured by Hypothecation of vehicles and Personal Guarantee of Directors.

Terms of Repayment for Loans Outstanding as on 31 March 2018 Secured

Vehicle Loans as per the Details given belows:

Particulars	Non-Current Portion			Current Portion		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
A.M.C.O Bank	0	0	0	0	0	402,010
AXIS Bank	0	0	184,113	0	184,113	200,325
HDFC Bank	0	234,231	638,419	234,231	404,188	509,710
ICICI Bank	0	361,459	1,574,387	361,459	1,212,927	1,092,217
KOTAK MAHINDRA PRIME	0	45,694	563,951	45,694	509,561	466,373
TATA MOTORS FINANCE LTD	448,735	0	0	217,032	0	0
TOTAL	448,735	641,385	2,960,870	858,416	2,310,789	2,670,635

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18 RETIREMENT BENEFIT OBLIGATIONS

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Retiring Gratuity	120,080	0	0
TOTAL	120,080	0	0

19 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Deferred Tax Liabilities			
- Depreciation	0	1786168	2031348
TOTAL	0	1786168	2031348
Deferred Tax Assets			
- On account of Unabsorbed Depreciation / Business Losses Depreciation	0	1786168	245180
TOTAL	0	1786168	245180
Movement in deferred tax liabilities	0	0	1,786,168

CURRENT LIABILITIES

FINANCIAL LIABILITIES

20 Borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Secured Loan Repayable on demand from banks			
Working Capital Loans (HDFC Bank & YES Bank)	0	0	5,435,276
Overdraft against fixed deposit	2,764,867	6,963,538	3,597,566
TOTAL	2,764,867	6,963,538	9,032,842

Notes: The working capital loans of Rs. nil (P.Y Rs.Nil as at 31.03.2017) of HDFC Bank Ltd. Are Secured primarily by Hypothecation by way of first charge on all present and future stock, Book Debts and Collateral Security by way of Equitable mortgage of Industrial Property bearing survey No.163/A at village Iyava Ta. Sanand, Dist. Ahmedabad. current Rate of interest is 11.75% p.a.

Further Loan Rs. nil (previous year Rs.Nil) of Yes bank are also secured primarily by hypothecation by way of First Pari passu charge on current assets with HDFC Bank Ltd. And Collateral security by way of Equitable mortgage of commercial property situated at 4th Floor, Madhuban, Nr. madalpur garnala, Ellisbridge, Ahmedabad-380006. Current Rate of Interest is 12.75% p.a.

Overdraft against fixed Deposits of Rs.Nil (Previous years Rs.5,08,767) of bank of india having current rate of interest 9.55% p.a. and Rs.27,64,867/- (Previous Year Rs.30,88,799/-) of kalupur commercial Co.Op. Bank having current rate of interest 9.70% p.a.

21 Trade Payable

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Trade payables	14,839,777	5,425,870	3,420,432
For Micro, Small And Medium Enterprises	544,382	133,033	35,590
TOTAL	15,384,159	5,558,903	3,456,022

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

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Dues to Micro, Small and Medium Enterprises:

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Principal amount remaining unpaid to any supplier as at the year end.	544,382	133,033	35,590
Interest due thereon	0	0	0
Amount of interest paid by the Company in terms of section 16	0	0	0
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED.	0	0	0
Amount of interest accrued and remaining unpaid at the end of accounting year.	0	0	0
TOTAL	544,382	133,033	35,590

22 Other Financial Liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Secured			
Current maturity of term loans from Bank	858,416	2,310,789	2,670,635
Unsecured			
Unpaid dividends	0	129,489	255,911
Creditors for capital expenditure	3,000	0	0
TOTAL	861,416	2,440,278	2,926,546

23 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Advance received from customers	711,380	367,209	1,818,775
Statutory liabilities (including provident fund, tax deducted at source and others)	268,802	454,527	228,143
Others payables	1,593,366	1,815,934	268,512
TOTAL	2,573,548	2,637,670	2,315,430

24 PROVISIONS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Provision for employee benefits (refer note (a) below)	1,048,601	907,667	872,158
TOTAL	1,048,601	907,667	872,158

(a) Provision for Employee Benefits

Particulars	As at 31 March 2018 Current	As at 31 March 2017 Non-current	As at 01 April 2016 Current	As at 31 March 2018 Non-current	As at 31 March 2017 Current	As at 01 April 2016 Non-current
Gratuity	1,048,601	120,080	907,667	0	872,158	0
TOTAL Provision for Employee Benefits	1,048,601	120,080	907,667	0	872,158	0

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(Amount in Rs. Unless otherwise stated)

(b) Long term employee benefit obligations Compensated absences

Termination benefits in the nature of compensated absences at the time of retirement are recorded in the Statement of Profit and Loss as and when incurred / paid.

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Current leave obligations expected to be settled within the next 12 months	0	0	0

(c) Post employment obligations

Defined benefit plans

Gratuity

The company provides for gratuity for employees as per the Payment of Gratuity Act, 1972 and as per Company policy. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, and ESI which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue.

The expense recognised during the period towards defined contribution plan are :

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Employer's Contribution to Provident Fund	425,599	461,695
Employer's Contribution to Employee State Insurance	154,488	204,562
Employer's Contribution to Employee's Pension Scheme 1995	187,510	203,411
TOTAL	767,597	869,668

Balance sheet amount (Gratuity)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2016	1,361,969	1,481,041	0
Current service cost	117,507	0	0
Past Service Cost	0	0	0
Interest expense/(income)	108,958	0	0
Total amount recognised in statement of profit and loss	226,465	0	226,465
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	0	125,888	0
(Gain) / loss from change in demographic assumptions			
(Gain) / loss from change in financial assumptions	42,850	0	0
Experience (gains) / losses	(112,362)	(20,929)	0
Total amount recognised in other comprehensive income	(69,512)	104,959	(174,471)
Employer contributions	0	7,098	0
Benefit payments	0	0	0
As at March 31, 2017	1,518,922	1,593,098	(74,176)

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(Amount in Rs. Unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2017	1,518,922	1,593,098	
Current service cost	235,056		0
Past Service Cost	144,833		0
Interest expense/(income)	110,426	120,966	0
Total amount recognised in statement of profit and loss	490,315	120,966	369,349
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	0	(5,299)	0
(Gain)/loss from change in demographic assumptions	0	0	0
(Gain)/loss from change in financial assumptions	(4,894)	0	0
Experience (gains)/losses	1,136,096	0	0
Total amount recognised in other comprehensive income	1,131,202	(5,299)	1,136,501
Employer contributions	0	175,093	0
Benefit payments	(33,472)	(33,472)	0
As at March 31, 2018	3,106,967	1,850,386	1,256,581

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Fair value of plan assets	1,850,386	1,593,098	
Present value of funded obligations	3,106,967	1,518,922	
Surplus/(Deficit) of gratuity plan	(1,256,581)	74,176	-

Categories of plan assets are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Insurer managed funds	1,850,386	1,593,098	
TOTAL	1,850,386	1,593,098	-

Significant estimates: Actuarial assumptions and sensitivity The significant actuarial assumptions were as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Discount Rate	7.30%	7.27%	8.00%
Salary growth Rate	7.00%	7.00%	7.00%
Withdrawal Rate	2.00%	2.00%	According to age

Sensitivity analysis The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2018	As at 31 March 2017	As at 31 March 2018	As at 01 April 2017
Discount Rate	0.50%	0.50%	3,028,148		3,191,209	
Salary growth Rate	0.50%	0.50%	3,178,223		3,035,205	
Withdrawal Rate	10.00%	10.00%	3,109,249		3,104,571	

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The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis are not comparable as the data for earlier period is not available.

Risk exposure:

- i) Investment Risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
- ii) Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.
- iii) Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
- iv) Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 are INR 2,52,216.

The weighted average duration of the defined benefit obligation is 5.79 years.

The expected cashflow based on past service liability is as follows:

Particulars	Year 1	Year 2	Between 2-5 years	Over 5 years	Total
As at March 31, 2018					
Defined benefit obligation (gratuity)	1,330,395	50,605	325,633	1,835,619	3,542,252
As at March 31, 2017					
Defined benefit obligation (gratuity)*	0	0	0	0	0

* The expected cashflow based on past service liability is not given as the actuarial valuation for 31.03.2017 is not as per Ind As 19 as these financial statements are the first financial statement of the company under Ind As.

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INCOME

(Amount in Rs. Unless otherwise stated)

25 REVENUE FROM OPERATIONS

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
(a) Sale of Product		
Manufactured Goods		
- Domestic	171979943	18058237
	171979943	18058237
Less: GST	-25766571	0
	146213372	18058237
(b) Sales/Resales Trading	23936817	117244516
TOTAL	170,150,189	135,302,753

26 OTHER INCOME

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Dividend Income : Share/Mutual Funds	59,071	55,277
Cash Discount Income	0	4,822
Rate Difference A/c.	82,800	3,600
Round Off	30	41
Special Qty Discount	0	(1,350)
VAT & CST Refund	0	316,078
Fixed deposit Interest	884,752	811,516
Interest on I.T. Refund	0	109,282
Other income	5,537	0
Damage goods	234,653	21,280
TOTAL	1,266,844	1,320,546

27 OTHER GAINS / (LOSSES) - NET

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Net Gain (losses) on disposal of Property, Plant & Equipment	61,786	48,105
Gain / (Losses) on sales of Investments (net)	91,455	57,069
TOTAL	153,241	105,174

EXPENSES

28 Raw Material Consumed

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Raw Material		
Opening	1,115,152	591,811
Add: Purchase	85,560,971	8,411,956
Less : Closing Stock	(6,666,268)	(1,115,152)
	80,009,856	7,888,615
Packing Material		
Opening	2,980,163	3,286,015
Add: Purchase	18,805,635	7,644,795
Less : Closing Stock	(1,876,050)	(2,980,163)
	19,909,748	7,950,647
TOTAL	99,919,604	15,839,262

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(Amount in Rs. Unless otherwise stated)

29 Purchase of Stock In Trade

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Purchase of Traded Goods	17,439,431	76,705,191
Total Purchase of Traded Goods	17,439,431	76,705,191

30 Changes in Stock of Finished Goods, Work in Progress and Stock in Trade

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Opening balances		
(a) Work-in progress		
(b) Finished and semi finished goods	1,988,880	2,660,837
(c) Stock in trade	214,522	0
Total opening balances	2,203,402	2,660,837
(Less) Closing balances:		
(a) Work-in progress		
(b) Finished and semi finished goods	4,584,577	1,988,880
(c) Stock in trade	0	214,522
Total closing balances	(4,584,577)	(2,203,402)
Total change in inventories of work in progress, stock in trade & finished good	(2,381,175)	457,435

31 Employee Benefit Expenses

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Salaries, wages and bonus	21,496,667	14,910,238
Contribution to provident and other funds	1,546,538	958,705
Staff welfare expenses	323,063	331,304
TOTAL	23,366,269	16,200,247

32 Finance costs

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Interest expenses on:-		
- Term loans	207,235	457,111
- Bank charges and other finance cost	310,771	518,856
TOTAL	518,006	975,967

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33 Other expenses

(Amount in Rs. Unless otherwise stated)

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Other expenses		
Stores and spares consumed	153,991	174,113
Carriage Inward	654,250	728,688
Power, fuel and water charges	1,556,303	857,554
Repairs and Maintenance :-		
- Plant and machinery	518,797	98,908
- Building maintenance	25,250	0
- Others	563,299	480,858
Laboratory Exps	12,415	4,155
Labour Charges	1,392,892	1,878,221
Bad Debts	10,936,412	1,961,767
Rents, Rates and taxes	449,425	994,568
Insurance cost	347,788	393,049
Traveling and conveyance	2,309,777	1,447,769
Commission and Brokerage	192,818	14,706
Legal and professional fees	1,295,410	1,530,923
Advertisement expenses	15,811,537	16,220,706
Payment to Auditors	175,000	176,500
Office & other Miscellaneous expenses	2,034,596	2,059,491
Loss on disposal of Property, Plant & Equipment	21,009	0
TOTAL	38,450,968	28,845,476

34 DETERMINATION OF PROFIT & CAPITAL FOR COMPUTATION OF EPS:

Particulars	Year ended on March 31, 2018	Year ended on March 31, 2017
Profit / (losses) for the year After Tax	(9,509,361)	(6,028,327)
No. of Equity Shares of Rs. 10 each Basic	3,131,300	3,131,300
Add: Effect of dilutive issue		0
Diluted	3,131,300	3,131,300
Earning per shares in Rs.		
(a) Basic	(3.04)	(1.93)
(b) Diluted	(3.04)	(1.93)

35 FAIR VALUE MEASUREMENTS

Financial instruments by category	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
Particulars	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investment in Equity Instruments	0	0	2,348,691	0	0	2,914,087	0	0	5,818,738
Security Deposits	0	0	163,138	0	0	182,389	0	0	235,767
Margin Money Deposits	0	0	0	0	0	0	0	0	0
Trade Receivables	0	0	32,730,683	0	0	34,647,319	0	0	37,290,686
Cash and cash equivalents	0	0	1,023,006	0	0	6,069,974	0	0	866,380
Bank balances other than cash and cash equivalents above	0	0	3,100,000	0	0	4,619,262	0	0	129,489
Loans to Employees	0	0	804,626	0	0	904,238	0	0	616,484
Interest Accrued but not due	0	0	38,442	0	0	272,474	0	0	217,656
Total financial assets	0	0	40,208,586	0	0	49,609,743	0	0	45,175,200
Financial liabilities									
Borrowings	0	0	4,072,018	0	0	9,915,712	0	0	14,664,347
Trade payables	0	0	15,384,159	0	0	5,558,903	0	0	3,456,022
Unclaimed dividends	0	0	0	0	0	129,489	0	0	255,911
Creditors for Capital Goods	0	0	3,000	0	0	0	0	0	0
Employee benefit payable	0	0	1,048,601	0	0	907,667	0	0	872,158
Total financial liabilities	0	0	20,507,778	0	0	16,511,771	0	0	19,248,438

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Fair value hierarchy

All financial instruments have been measured at amortised cost. For all financial instruments referred above that have been measured at amortised cost, their carrying values are reasonable approximations of their fair values. The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). All financial instruments referred above have been classified as Level 3.

The categories used are as follows :

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation technique used to determine fair value

The fair value of the financial instruments is determined using discounted cash flow analysis.

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation process and results are held between the CFO and the valuation team at least once in three months, in line with the company's quarterly reporting period. Changes in the fair value are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team.

Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, investments, margin money deposits, loans to employees, security deposits, trade payables, capital creditors, interest accrued but not due on borrowings, unclaimed dividends, employee benefit payable and other deposits are considered to be as their fair values, due to their current nature.

The fair values of borrowings have been calculated based on cash flows discounted using a current lending rate. They are classified as level 3 in the hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For Level 3 financial instruments, the fair value has been based on present values and the discount rates used, are adjusted for counterparty or own risk.

36 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management framework of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Treasury department provides funding and foreign exchange management services for the Company's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of treasury's activity.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Cash and cash equivalents & bank balances

The Company is also exposed to credit risk on cash and cash equivalents and bank balances other than cash and cash equivalents. These balances (other than cash on hand) are with high credit rating banks which are governed by Reserve Bank of India. The company believes its credit risk in such bank balances is immaterial.

Security deposits and other receivables

With respect to other financial assets namely security and other deposits and other receivables, the maximum exposure to credit risk is the carrying amount of these classes of financial assets presented in the balance sheet. These are actively monitored and confirmed by the treasury department of the Company.

Trade receivables

The Company measures the expected credit loss of trade receivables from customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends which is very negligible.

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(Amount in Rs. Unless otherwise stated)

Ageing	Not due	0-090 days	091-180 days	181-360 days	More than 360 days	Total
Gross carrying amount	20,442,985	20,442,985	576,224	824,233	10,887,241	32,730,683
Expected loss rate	0	0	0	0	0	0
Expected credit losses (Loss allowance provision)	0	0	0	0	0	0
Carrying amount of trade receivables (net of impairment)	20,442,985	20,442,985	576,224	824,233	10,887,241	32,730,683

Based on the historical data, loss on collection of receivable as at March 31, 2017 and as at April 01, 2016 is not material hence no additional provision considered.

(B) Management of Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. Material and sustained shortfall in cash flow could undermine the company's credit rating and impair investor confidence.

The company maintained a cautious funding strategy, with a positive cash generation from operating activities throughout the year ended March 31, 2018, March 31, 2017 and April 1, 2016. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis.

Maturities of financial liabilities

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

Contractual maturities of financial liabilities As at March 31, 2018	Note	Carrying amount	Less than 12 months	More than 12 months	Total
Borrowings	16,19,21	4,072,018	3,623,283	448,735	4,072,018
Trade payables	20	15,384,159	15,384,159	-	15,384,159
Unclaimed dividends	21	-	-	-	-
Creditors for Capital Goods	21	3,000	3,000	-	3,000
Employee benefit payable	23	1,048,601	1,048,601	-	1,048,601
Total liabilities		20,507,778	20,059,043	448,735	20,507,778

Contractual maturities of financial liabilities As at March 31, 2017	Note	Carrying amount	Less than 12 months	More than 12 months	Total
Borrowings	16,19,21	9,915,712	9,274,327	641,385	9,915,712
Trade payables	20	5,558,903	5,558,903	-	5,558,903
Unclaimed dividends	21	129,489	-	129,489	129,489
Creditors for Capital Goods	21	-	-	-	-
Employee benefit payable	23	907,667	907,667	-	907,667
Total liabilities		16,511,771	15,740,897	770,874	16,511,771

Contractual maturities of financial liabilities As at April 1, 2016	Note	Carrying amount	Less than 12 months	More than 12 months	Total
Borrowings	16,19,21	14,664,347	11,703,477	2,960,870	14,664,347
Trade payables	20	3,456,022	3,456,022	-	3,456,022
Unclaimed dividends	21	255,911	255,911	-	255,911
Creditors for Capital Goods	21	-	-	-	-
Employee benefit payable	23	872,158	872,158	-	872,158
Total liabilities		19,248,438	16,287,568	2,960,870	19,248,438

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(c) Management of Market Risk

Market risk comprises of foreign currency risk and interest rate risk. Foreign currency risk arises from transactions that are undertaken in a currency other than the functional currency of the company. Further, the financial performance and financial position of the company is exposed to foreign currency risk that arises on outstanding receivable and payable balances at a reporting year end date. Interest rate risk arises from variable rate borrowings that expose the company's financial performance, financial position and cash flows to the movement in market rates of interest.

(d) Interest rate risk

The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. The Company mitigates the interest rate risk for borrowing in functional currency, which is linked with MCLR, by negotiating and fixing the rate at the time of renewal of bank facility which remains effective for one year from the date of renewal. In case of borrowing in foreign currency, which is linked with Libor rate, the company mitigates the risk by fixing the margin at the time of renewal of bank facility which remains effective for one year from the date of renewal.

The Company has various non current and current borrowings whose facilities are on a variable interest rate basis. Refer below table for interest rate exposure.

Interest Rate Exposure

The exposure of Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(Amount in Rs. Unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Variable Rate Borrowings	4,072,018	9,915,712	14,664,347
Weighted average interest rate	8.00%	11.75%	12.75%

Sensitivity - Interest Rate

The sensitivity of profit or loss to higher/(lower) interest expense from borrowings as a result of change in borrowing rates is as follows:

Impact on profit before tax	31 March 2018	31 March 2017
Interest Rates - increase by 0.5%	(32,375.00)	(41,531.00)
Interest Rates - decrease by 0.5%	32,375.00	41,531.00

37 CAPITAL MANAGEMENT

(a) Risk management

The Company considers the following components of its Balance Sheet as managed capital:

Total equity as shown in the balance sheet includes share capital, general reserve, retained earnings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. The Company consider the amount of

HIPOLIN LIMITED

capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, reduce capital or issue new shares.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratios:

Net debts (Total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the Balance Sheet)

The gearing ratios were as follows:

(Amount in Rs. Unless otherwise stated)			
Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Net Debts	4,072,018	9,915,712	14,664,347
Total Equity	66,593,278	76,102,640	82,130,967
Net Debt to Equity Ratio	0.06	0.13	0.18

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return to shareholders by continuing to distribute dividends in future periods. Refer the below note for the final dividend declared and paid.

38 RELATED PARTY DISCLOSURES

Relationships

Key Management Personnel:

Shri Bhupendra J Shah

Shri Jaykumar J Shah

Shri Shailesh J Shah

Shri Bharat J Shah

Shri Subhash J Shah

Relative of Key Management Personnel:

Shri Daxesh B Shah

Shri Rumit B Shah

Shri Apurva S Shah

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(Amount in Rs. Unless otherwise stated)

The nature and volume of transactions carried out and balances with related parties in the ordinary course of business are as follows:

Transactions			
Name of the related party	Nature of the relationship	For the year ended March 31, 2018	For the year ended March 31, 2017
Remuneration			
Shri Bhupendra J Shah	Key Management Personnel	694,910	694,541
Shri Jaykumar J Shah	Key Management Personnel	694,910	694,541
Shri Shailesh J Shah	Key Management Personnel	658,970	658,970
Shri Bharat J Shah	Key Management Personnel	694,910	694,541
Shri Subhash J Shah	Key Management Personnel	694,910	694,541
Shri Daxesh B Shah	Relative of Key Management Personnel	922,634	853,799
Shri Runit B Shah	Relative of Key Management Personnel	922,634	853,799
Shri Apurva S Shah	Relative of Key Management Personnel	922,634	853,799
TOTAL		6,206,512	5,998,531

Terms and Conditions

1) Transactions with related parties are at normal commercial terms.

39 CONTINGENT LIABILITIES

	Amount in Lacs	
	31 March 2018	31 March 2017
In respect of Bank Guarantee issued in favour of Government of India	0	45
In respect of disputed Income Tax matter	20.93	20.93

40 SEGMENT REPORTING

The company has only one reportable Business Segment i.e. Detergent Powder & Cake as Primary Segment.

41 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

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A.1 Ind AS optional exemptions

A.1.1. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as this was not required under previous GAAP.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

The Company has determined the classification of Financial Assets in terms of whether they meet the amortized cost criteria, FVPL criteria or FVOCI criteria based on the facts and circumstances that existed as of transition date.

B: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS. The presentation requirements under previous GAAP differs from the presentation requirements under Ind AS and hence the previous GAAP information has been restated for ease of reconciliation with Ind AS. The restated previous GAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2016 and March 31, 2017.

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Reconciliation of equity as at date of transition April 1, 2016

(Amount in Rs. Unless otherwise stated)

	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		24,318,012	0	24,318,012
Financial assets				
I. Investments		5,818,738	0	5,818,738
ii. Other financial assets		29,585,739	0	29,585,739
Non current Tax Assets (Net)		0	0	0
Other non-current assets		11,764,171	0	11,764,171
TOTAL NON-CURRENT ASSETS		71,486,660	0	71,486,660
Current assets				
Inventories		6,538,664	0	6,538,664
Financial assets			0	
I. Trade receivables		17,128,521	0	17,128,521
ii. Cash and cash equivalents		866,380	0	866,380
iii. Bank balances other than cash and cash equivalents above		129,489	0	129,489
iv. Loans		616,484	0	616,484
v. Other financial assets		217,656	0	217,656
Other current assets		8,497,149	0	8,497,149
TOTAL CURRENT ASSETS		33,994,343	0	33,994,343
TOTAL ASSETS		105,481,003	0	105,481,003
EQUITY AND LIABILITIES				
Equity				
Equity share capital		31,313,000	0	31,313,000
Other equity		50,817,967	0	50,817,967
TOTAL EQUITY		82,130,967	0	82,130,967
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings		2,952,174	0	2,952,174
Provisions		0	0	0
Deferred Tax Liabilities (Net)		1,786,168	0	1,786,168
TOTAL NON-CURRENT LIABILITIES		4,738,342	0	4,738,342
Current liabilities				
Financial liabilities				
I. Borrowings		9,032,842	0	9,032,842
ii. Trade payables		3,456,022	0	3,456,022
iii. Other financial liabilities		2,935,242	0	2,935,242
Other current liabilities		2,315,430	0	2,315,430
Provisions		872,158	0	872,158
Current tax liabilities (net)		0	0	0
TOTAL CURRENT LIABILITIES		18,611,694	0	18,611,694
TOTAL LIABILITIES		23,350,036	0	23,350,036
TOTAL EQUITY AND LIABILITIES		105,481,003		105,481,003

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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Reconciliation of equity as at March 31, 2017

(Amount in Rs. Unless otherwise stated)

	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		21,242,347	0	21,242,347
<u>Financial assets</u>				
I. Investments		2,591,319	0	2,591,319
ii. Loans		377,919	0	377,919
iii. Other financial assets		19,169,053	0	19,169,053
Non-current Tax Assets (Net)		0	0	0
Other non-current assets		9,925,710	0	9,925,710
TOTAL NON-CURRENT ASSETS		53,306,348	0	53,306,348
Current assets				
Inventories		6,298,717	0	6,298,717
<u>Financial assets</u>				
I. Investments		322,767	0	322,767
ii. Trade receivables		18,761,655	0	18,761,655
iii. Cash and cash equivalents		6,069,974	0	6,069,974
iv. Bank balances other than cash and cash equivalents above		4,619,262	0	4,619,262
v. Loans		526,319	0	526,319
vi. Other financial assets		272,474	0	272,474
Other current assets		5,074,565	0	5,074,565
TOTAL CURRENT ASSETS		41,945,733	0	41,945,733
TOTAL ASSETS		95,252,081	0	95,252,081
EQUITY AND LIABILITIES				
Equity				
- Equity share capital		31,313,000	0	31,313,000
- Other equity		44,789,640	0	44,789,640
TOTAL EQUITY		76,102,640	0	76,102,640
LIABILITIES				
Non-current liabilities				
<u>Financial liabilities</u>				
I. Borrowings	4	675,047	0	675,047
Provisions		0	0	0
Deferred Tax Liabilities (Net)	6	0	0	0
TOTAL NON-CURRENT LIABILITIES		675,047	0	675,047
Current liabilities				
<u>Financial liabilities</u>				
I. Borrowings		6,963,538	0	6,963,538
ii. Trade payables		5,558,903	0	5,558,903
iii. Other financial liabilities		2,406,616	0	2,406,616
Other current liabilities	5	2,637,670	0	2,637,670
Provisions		907,667	0	907,667
Current Tax Liabilities (Net)		0	0	0
TOTAL CURRENT LIABILITIES		18,474,394	0	18,474,394
TOTAL LIABILITIES		19,149,441	0	19,149,441
TOTAL EQUITY AND LIABILITIES		95,252,081		95,252,081

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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(Amount in Rs. Unless otherwise stated)

Reconciliation of total comprehensive income for the year ended March 31, 2017

	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Revenue from operations	2	135,302,753	0	135,302,753
Other income		1,320,546	0	1,320,546
Other Gains /(Losses) - net		105,174	0	105,174
Total Income		136,728,473	0	136,728,473
Expenses				
Cost of materials consumed		17,407,086	1,567,824	15,839,262
Purchase of Stock-in-trade		76,705,191	0	76,705,191
Changes in inventories of finished goods, stock-in-trade and work-in progress		(30,987)	(488,422)	457,435
Excise Duty	2		(2,880,919)	2,880,919
Employee benefit expense	3	16,200,247	0	16,200,247
Finance costs	4	975,967	0	975,967
Depreciation and amortization expense		3,138,471	0	3,138,471
Other expenses	5	30,646,993	1,801,517	28,845,476
Total expenses		145,042,968	0	145,042,968
Profit / (Loss) before tax		(8,314,495)	0	(8,314,495)
<u>Income tax expense</u>				
• Current tax				
• (Excess) / short Provision of Income Tax of earlier years (Net)		(500,000)	0	(500,000)
• Deferred tax		(1,786,168)	0	(1,786,168)
Total tax expense		(2,286,168)	0	(2,286,168)
Profit / (Loss) for the year		(6,028,327)	0	(6,028,327)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Fair value changes of investment in equity shares	3	0	1,472,180	(1,472,180)
Other comprehensive income for the year, net of tax		0	1,472,180	(1,472,180)
Total comprehensive income for the year		(6,028,327)	(1,472,180)	(7,500,507)

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

HIPOLIN LIMITED

Reconciliation of total equity as at March 31, 2017 and April 1, 2016

	Notes to first-time adoption	March 31, 2017	April 1, 2016
Total equity (shareholder's funds) as per previous GAAP		76,102,640	82,130,967
Adjustments:		0	0
Total equity as per Ind AS		76,102,640	82,130,967

Reconciliation of total comprehensive income for the year ended March 31, 2017

	Notes to first time adoption
Profit / (Loss) after tax as per previous GAAP	(6,028,327)
Adjustments:	0
Profit / (Loss) after tax as per Ind AS	(6,028,327)
Other comprehensive income	
Fair value changes of investment in equity shares	(1,472,180)
Total comprehensive income as per Ind AS	(7,500,507)

Impact of Ind AS adoption on cash flow statement

There were no material differences in the net cash flow from operating, investing or financing activities due to Ind AS adoption.

Notes to first-time adoption:

Note 1: Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

Note 2: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 3: Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Note 4: Deferred Tax

Deferred tax if any have been recognised on the adjustments made on transition to Ind AS.

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Note 5: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations, effective portion of gains and losses on cashflow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under IGAAP.

FOR BORKAR & MUZUMDAR
Chartered Accountants
Firm Registration No.: 101569W

CA GUNVANT K KOTADIA
PARTNER
Membership No.: 033190

Date : May 29, 2018
Place: Ahmedabad

FOR & ON BEHALF OF THE BOARD

Bhupendra J. Shah
Chairman
DIN: 00325446

Shailesh J. Shah
Managing Director
DIN: 00777653

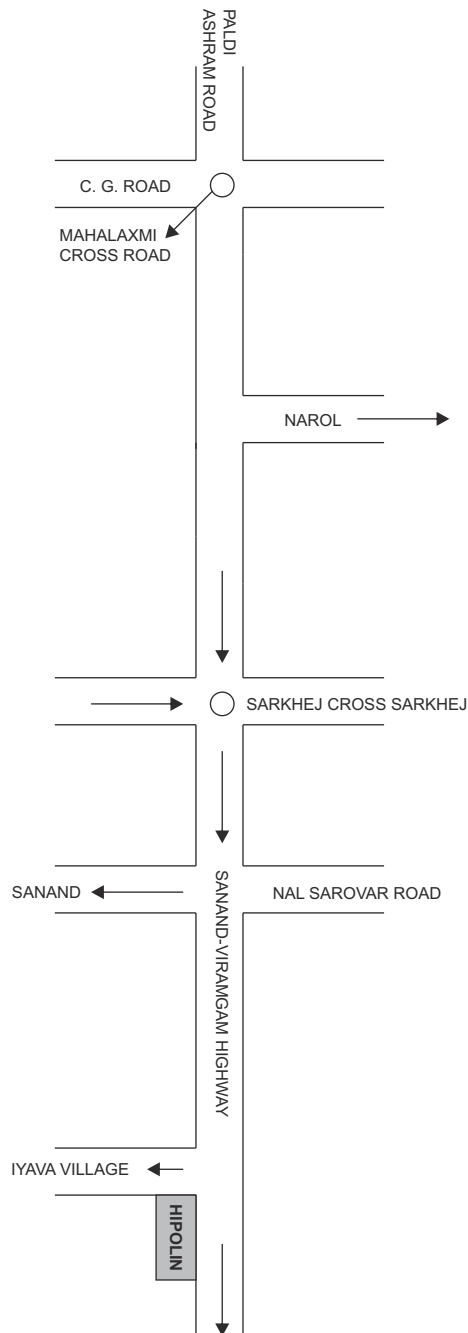
Bharat J. Shah
Chief Financial Officer & Whole time Director
DIN: 00777734

Apexa Panchal
Company Secretary
ICSI Membership No: 35725

Date : May 29, 2018
Place : Ahmedabad

ROUTE MAP FOR VENUE OF THE AGM

HIPOLIN LIMITED
CIN: L24240GJ1994PLC021719



PROXY FORM
HIPOLIN LIMITED

Regd. Office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand,
Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Ph. No.079-26447730-31 CIN: L24240GJ1994PLC021719

Email: hipolin@hipolin.com, csapexapanchal@gmail.com web: www.hipolin.com

Form MGT-11

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

Name of the member(s) : _____

Registered Address : _____

: _____

E-mail Id : _____

Folio No./*Client Id : _____

*DP Id : _____

I/We being the member(s) of _____ shares of **Hipolin Limited**, hereby appoint:

1) _____ of _____ having email-id _____ or failing him

2) _____ of _____ having email-id _____ or failing him

3) _____ of _____ having email-id _____

and whose signatures(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25th Annual General Meeting** of the Company, to be held on Friday, September 28, 2018 at 2:00 p.m. at Registered Office of the Company at A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170 and at any adjournment thereof in respect of such resolutions as are indicated below:

****I wish my above Proxy to vote in the manner as indicated in the box below:**

Resolution No.	For	Against
1. Consider and adopt Audited Financial Statements, for the year ended on 31 st March, 2018		
2. Re-appointment of Shri Jaykumar J. Shah (DIN 00392710), as Director-Promoter Category, who retires by rotation		
3. Re-appointment of Shri Bharat J. Shah (DIN 00777734), as Director- Promoter Category, who retires by rotation		
4. Re-appointment of Smt. Nita B. Shah (DIN 01188437), as an Independent Director.		
5. Re-appointment of Shri Bhupendra Jayantilal Shah (DIN 00325446), as the Whole-Time Director (Chairman) and fixation of remuneration.		
6. Re-appointment of Shri Bharat Jayantilal Shah (DIN 00777734), as the Whole-Time Director and fixation of remuneration.		
7. Re-appointment of Shri Jaykumar Jayantilal Shah (DIN 00392710), as the Whole-Time Director and fixation of remuneration.		
8. Re-appointment of Shri Shailesh Jayantilal Shah (DIN 00777653), as the Whole-Time Director and fixation of remuneration.		

Signed this _____ day of _____ 2018

Signature of shareholder

Signature of first proxy holder _____

Signature of second proxy holder _____

Signature of third proxy holder _____

Affix
Revenue
Stamp
Re.1

Notes:

- 1) 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.**
- 2) A proxy need not be a member of the Company.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- **4) This is only optional. Please put (√) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
- Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

ATTENDANCE SLIP

HIPOLIN LIMITED

Regd. Office: A/1/1, Nilkanth Ind. Estate, sanand Viramgam Highway, Nr. Iyava Bus Stand,
Via Virochannagar, (P.O.) Ta. : Sanand, Dist.: Ahmedabad-382170.

Ph. No.079-26447730-31 CIN: L24240GJ1994PLC021719

Email: hipolin@hipolin.com csapexapanchal@gmail.com web: www.hipolin.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING PLACE

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id* _____ Folio No. _____

Client Id* _____ No. of Shares _____

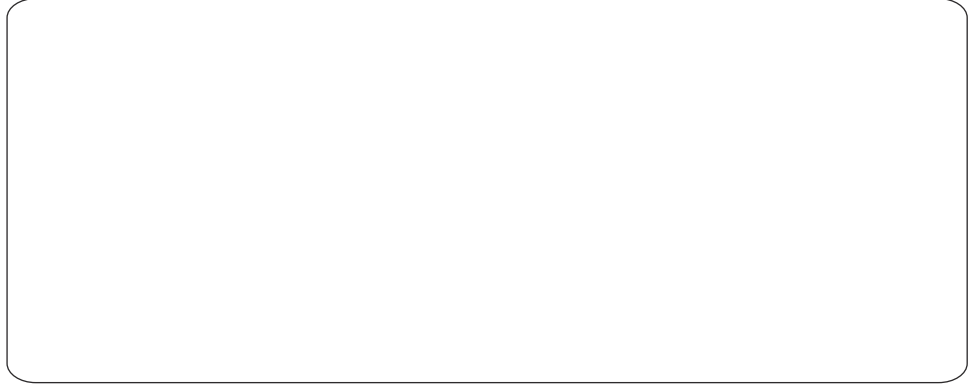
Address _____

I hereby record my presence at the 25th ANNUAL GENERAL MEETING of the Company held on Friday, September 28, 2018 at 2:00 p.m. at Regd. Office A/1/1, Nilkanth Ind. Estate, Sanand-Viramgam Highway, Nr. Iyava Bus Stand, Via Virochannagar, (P.O.) Ta. : Sanand, Dist.:Ahmedabad-382170.

Signature of Shareholder/Proxy

* Applicable for investors holding shares in electronic form.

COURIER / REGD. POST / SPEED POST



If undelivered, please return to :
HIPOLIN LIMITED
45, Madhuban, 4 th Floor,
Nr. Madalpur Garnala,
Ellisbridge, Ahmedabad 380 006.