



32nd Annual Report 2016-17

Novopan Industries Limited

BOARD OF DIRECTORS

Mr. A Issac George	- Chairman
Mr. Murali Varadarajan	- Executive Director
Dr. P Krishnam Raju	- Independent Director
Mr. Illyas Ghouse	- Independent Director
Mr. Syed Ali Naqui	- Director

Auditors	- Brahmayya & Co., 4th Floor, Golden Green Apartment Erramanzil Colony, Somajiguda Hyderabad – 500 082
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Registered Office	IDA, Phase - II, Patancheru, Medak District - 502 319. Telangana State
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Share Transfer Registrars (for both Physical & Electronic)	XL Softech Systems Limited No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500034, Ph : 040-23545913/15, Fax : 040-23545914 Email : xlfield@gmail.com
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IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circular stating that service of notice/documents etc., can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far are requested to register their e-mail addresses, in respect of electronic holdings with Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with Company’s Share Transfer Agent, M/s XL Softech Systems Limited, No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500034.

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NOTICE OF THE 32ND ANNUAL GENERAL MEETING

Notice is hereby given that the Thiry Second Annual General Meeting of the Shareholders of **NOVOPAN INDUSTRIES LIMITED** will be held at "Paigah House", 156-159, Sardar Patel Road, Secunderabad – 500003, Telangana on Friday, the 29th September, 2017 at 4.30 p.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2017 and the Balance Sheet as on that date together with the Report of Directors' and Auditor's for the year ended 31st March, 2017.
2. To appoint a Director in the place of Mr. A Issac George, Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors

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

"RESOLVED THAT in pursuance of provisions of Section 139 of the Companies Act, 2013 and applicable provisions of the Companies (Audit and Auditors) Rules, 2014, M/s K S Rao & Co., Chartered Accountants, (Firm Registration No 003109S), as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Fifth consecutive Annual General Meeting (subject to ratification by the shareholders at every Annual General Meeting held after this Annual General Meeting) on such remuneration and out of pocket expenses as may be decide by the Board in consultation with the Audit Committee from time to time".

Special Business

4. Re-appointment of Mr. Murali Varadarajan (DIN : 03602462) as an Executive Director.

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

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and any other provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, consent of the members be and is hereby accorded for the re-appointment of **Mr. Murali Varadarajan** (DIN:03602462) as an Executive Director of the company for a period of 2 (two) years w.e.f. 30th March, 2017, without any remuneration".

By order of the Board
For Novopan Industries Limited

Murali Varadarajan
Executive Director
(DIN:03602462)

Place : Hyderabad
Date : 27th July, 2017

Notes:

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
- b) The instrument appointing the proxy in order to be valid and effective shall be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- c) Members / Proxies should bring their duly filled in attendance slips sent herewith for attending the meeting.
- d) Members who hold shares in dematerialized form are requested to bring their client ID and DP ID number to facilitate the identification of their attendance at the meeting.
- e) Members whose shareholding is in electronic mode are requested to intimate any change of address and updation of Bank Account details immediately to their respective Depository Participants and whose shareholding is in physical form to intimate such changes to M/s XL Softech Systems Limited – Share Transfer Registrar of the company.
- f) Shareholders seeking any clarification / information on the Annual Accounts are requested to forward his/her queries to the company at least 7 days prior to the meeting so that the required information can be made available at the meeting.
- g) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'E-communication Registration Form' to M/s.XL Softech Systems Limited or Investor Service Department of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
- h) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the

Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

i) Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.

The instructions for e-voting are as follows:

B Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from NSDL informing them of their User ID and password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:

- a. Open email and open the PDF file titled using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- b. Launch your internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- c. Click on Shareholder – Login.
- d. Enter the user ID and password (the initial password noted in step (a) above). Click Login.
- e. The Password change menu will appear. Change the password to a password of your choice. The new password should have a minimum of 8 (eight) digits / characters or combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- f. The homepage of e-voting will open. Click on 'e-voting: Active Voting Cycles'.
- g. Select 'EVEN' (E-Voting Event Number) of Novopan Industries Limited.
- h. Now you are ready for e-voting as the 'Cast Vote' page opens.

- i. Cast your vote by selecting the option of your choice and clicking on 'Submit', and also remember to 'Confirm' when prompted.
- j. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- k. Once you have voted on a resolution, you will not be allowed to modify your vote.
- l. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory / signatories who are authorized to vote, to the Scrutinizer via e- mail to investor@novopan.in with a copy marked to evoting@nsdl.co.in.

C. For Members whose email IDs are not registered with the Company / depository participant(s) and who receive the physical postal ballot forms, the following instructions may be noted:

- a. The initial password is provided at the bottom of the Attendance Slip for the AGM.
EVEN (E-Voting Event Number) USER ID
PASSWORD/PIN.
- b. Please follow all the steps from a. to l. mentioned above, to cast your vote successfully.

D. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com or contact NSDL by email at evoting@nsdl.co.in.

E. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

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

G. The members, whose names appear in the Register of members / list of beneficial owners as on 23rd September, 2017, are entitled to vote on the resolutions set forth in this notice.

- a. The e-voting period commences on 26th September, 2017 (Tuesday) (9:00 Hours (IST)) and ends on 28th September, 2017 (Thursday) (17:00 Hours (IST)). During this period, Members of the Company holding shares either in physical

- form or in dematerialized form, as on the relevant date, i.e. 23rd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.
- b. The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares capital of the company as on the cut-off date of 23rd September, 2017.
- c. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- d. Mr. C Janardhan Reddy, Practicing Company Secretary (Membership No.25282 & Certificate of Practice No.11757) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair & transparent manner.
- e. The Scrutinizer shall, immediately after the conclusion of voting at General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company. Scrutinizer shall within 3 days of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
- f. The results along with the Scrutinizers Report shall be placed on the website of the company and on the website of NSDL.
- H. Shareholders are requested to send all communications/clarifications/queries etc., at M/s XL Softech Systems Limited, No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500034 the RTA of our Company.

**EXPLANATORY STATEMENT
(Pursuant to Section 102(1) of the Companies Act, 2013)**

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

ITEM NO.4

Mr. Murali Varadarajan was re-appointed as an Executive Director of the Company at the meeting of the Board of Directors held on 30th March, 2017 for a period of 2 years subject to approval of members of the company. As per the provisions of the 190 of the companies Act, 2013 and read with Schedule V of the Companies Act 2013 approval of members is being sought.

Brief Profile of Mr. Murali Varadarajan (DIN:03602462)

Mr. Murali Varadarajan aged about 39 years completed his Master's Degree in Building Technology and Construction Management in IIT, Chennai and also MBA from IIM, Bangalore and has gained about 13 years of rich experience in the field of strategy and Airport planning and Development and in the areas of power and urban infrastructure. Mr. Murali Varadarajan brings a unique combination of skills, blending sound management strategy, planning and architecture. He is a keen sports enthusiast and widely travelled.

The Board of Director of your Company at its meeting held on 30th March, 2017 had re-appointed Mr. Murali Varadarajan as an Executive Director of the Company for a period of 2 years w.e.f., 30th March, 2017 subject to the approval of members. The Board of Directors recommends re-appointment of Mr. Murali Varadarajan as Executive Director of the Company for your approval.

No other Director, Key Managerial Personnel or their relatives, except Mr. Murali Varadarajan, to whom the resolution relates is interested or concerned in the resolutions.

Your Directors recommends the resolutions set forth in item No.4 for your approval.

Place : Hyderabad
Date : 27th July, 2017

By order of the Board
For Novopan Industries Limited
Murali Varadarajan
Executive Director (DIN:03602462)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Thirty Second Annual Report and Audited Accounts of your Company, together with the Schedules and Notes thereon, for the Financial Year ended 31st March, 2017.

FINANCIAL RESULTS:

(Rs. in Crores)

Particulars	2016-17	2015-16
Net Turnover	-	1.05
Gross Operating Profit (Loss)	1.29	(7.14)
Less: Interest	-	0
Profit (Loss) Before Dep. & Tax	1.29	(7.14)
Less: Depreciation	0.05	0.05
Profit/(Loss) Before Extraordinary item	1.24	(7.19)
Profit/ (Loss) Before Tax	1.24	(7.19)
Prov for Taxes of earlier years	0.02	1.49
Profit (Loss) After Tax	1.22	(8.68)

PERFORMANCE:

As the entire operations of the company has been stopped at all its manufacturing units, there was no revenue from manufacturing activities during the financial year ended 31st March, 2017. Net profit for the year is Rs. 1.22 Crores, as compared to net loss of Rs.8.68 Crores incurred during the previous year.

OPERATIONS

In line with the Committee's recommendations and decision of the company for the disposal of Plant & Machineries, the Company has obtained the approval from its members and has already disposed of its machineries at all three plants.

DE-LISTING OF EQUITY SHARES OF THE COMPANY

As the members of the company are aware GVK Projects & Technical Services Limited, promoter of

the company (The Acquirer) had made an offer to the public shareholders of the Company for the acquisition and voluntary delisting of fully paid-up equity shares of Rs.10/- each ("Shares") of the Company in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and in accordance with SEBI Delisting Regulations, the Acquirer fixed the exit price at Rs.40/- per Share ("Final Price") calculated by the reverse book building process using the electronic facility of the BSE.

Accordingly, your company had paid final price fixed to the shareholders those who have opted for exit offer process. Further, w.e.f. 10th November, 2014 the shares are discontinued for trading from the both the listed Stock Exchanges i.e., BSE Ltd and National Stock Exchange of India Ltd.

In accordance with Regulation 21 of the SEBI Delisting Regulations, the Acquirer has provided an exit opportunity (Exit Offer) to the public shareholders who continue to hold shares in the company (Residual Shareholders). The Residual Shareholders of the company could tender their shares to the Acquirer at the Final Price of Rs.40/- per share at any time from November 10, 2014 to till November 9, 2015 (Exit Period), as per the terms and conditions set out in the exit offer letter for the exit offer sent to the Residual Shareholders by the Acquirer.

Promoters are still providing an option to shareholders to exit. If any shareholder is interested in selling / disposing / transferring his/her shares may approach to the Company in writing.

BOARD / COMMITTEE & GENERAL MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year, the Board of Directors of the Company met six times on 28-04-2016, 12-05-2016, 22-08-2016, 21-10-2016, 20-01-2017 & 30-03-2017. The intervening gap between the two consecutive Meetings was within the time gap of 120 days as prescribed under section 173(1) of the Companies Act, 2013.

Attendance of the Board of Directors:

Name of the Director	Category	Attendance particulars	
		Board Meeting	Last AGM
Issac George Anicattu	Director	6	Yes
Dr. P Krishnam Raju	Independent Director	6	No
Syed Ali Naqui	Director	6	Yes
Murali Varadarajan	Executive Director	6	Yes
P Audishesha Reddy *	Independent Director	1	No
Illyas Ghouse @	Director	5	Yes

*Resigned w.e.f. 12.05.2016

@ Appointed w.e.f.12-05-2016

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :
Appointments :

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. A Issac George will be retiring by rotation at the ensuring Annual General Meeting and being eligible offer himself for re-appointment.

Mr. Illyas Ghouse has been appointed as an Independent Director of the company at the 31st Annual General Meeting held on 20th September, 2016 by the members of the company to hold office for five consecutive years i.e., upto 19th September, 2021 whose period of office shall not be liable to retire by rotation.

Re-appointments :

Mr. Murali Varadarajan (DIN03602462) was re-appointed as an Executive Director of the company for a period of 2 years w.e.f. 30.03.2017 by the Board of Directors of the Company.

Resignations:

Mr P Audishesha Reddy (DIN 05300542) had resigned from the office of the Independent Director w.e.f. 12th May, 2016. The Board places on record its appreciation for the valuable services rendered by Mr. P Audishesha Reddy.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm that:

- the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the financial year ended 31st March, 2017;
- the Directors took proper and sufficient care to maintain 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;
- the Directors prepared the annual accounts for the financial year ended 31st March, 2017, on a going concern basis.

Evaluation of Board's Performance:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

The performance evaluation of the Board was carried out during the year under review. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committee, Board culture execution and performance of specific duties, obligations and governance.

Remuneration Policy:

The Board on recommendation of the Nomination & Remuneration Committee framed a policy at group level for selection and appointment of Directors, Senior Management and their remuneration.

As per the provisions of the company, the Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the company, if any introduced by the Company in future.

Board Committees:**Audit Committee**

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established system and processes for internal financial controls, governance and reviewing the Company's Statutory and internal audit activities.

Nomination & Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Remuneration Committee" as "Nomination & Remuneration Committee".

The Chairman of the Board of Directors informed that some of the Directors had already relinquished the right of drawing sitting fees as the company has closed its operations during 2010. Considering the financial health of the company the Nomination and Remuneration Committee has recommended that no sitting fees will be paid to Directors and its sub-committee members of the Board and the same is agreed unanimously by the Board of Directors.

NOMINATION AND REMUNERATION POLICY

The objectives of the Policy

- 1) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- 2) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer Companies.
- 3) To carry out evaluation of the performance of Directors,
- 4) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB SECTION 6 OF SECTION 149

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(6) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub section 6.

Nomination and Remuneration Committee consists of the following directors namely Dr. P Krishnam Raju, Chairman, Mr. Syed Ali Naqui & Mr. Illyas Ghouse, Members of the Committee.

Brief description of terms of reference:

- Identifying persons who are qualified to become directors and
- Identifying persons who may be appointed as Key Managerial Person, senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal;
- Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

The Brief Policy for Selection of Directors and determining Directors' independence is annexed to this report.

RELATED PARTY TRANSACTIONS:

There were no related party transactions during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DIVIDEND:

In view of closure of operations and continuous losses, no dividend is recommended by the Board of Directors.

FIXED DEPOSITS:

During the year under review, your company has neither invited nor accepted any deposits from the public.

STATUTORY AUDITORS:

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of The Companies (Audit and Auditors) Rules, 2014, every company shall appoint Statutory Auditors to hold office of 5 years and such appointment is subject to ratification by the Members every year in the annual general meeting. The Act further makes it mandatory to rotate the Statutory Auditors after two terms of 5 years, in case of a firm of auditors. Further, Companies have been given time till the year 2017 to effect rotation of Auditors, wherever necessary.

As you are aware that M/s Brahmayya & Co, the existing Statutory Auditors, was appointed during the incorporation of the Company has completed more than the permissible period of 10 years of their services as auditors.

M/s K S Rao & Co., Chartered Accountants, Hyderabad a firm of long standing have been identified for appointment as the Statutory Auditors of the Company.

Being eligible for appointment under the provisions of the Companies Act, 2013, they have furnished their consent to act as the Statutory Auditors, in terms of the provisions of Section 139 of the Act and also provided a certificate to the effect that their appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act. The Board of Directors, on the recommendations of the Audit Committee, at the meeting held on 27th July, 2017, proposed the appointment of M/s K S Rao & Co., Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 32nd Annual General Meeting until the conclusion of 37th Annual General Meeting of the Company (subject to ratification of the appointment at every Annual General Meeting) and to authorize the Board of Directors of the Company to fix their remuneration.

The Board recommends the Resolution for approval by the Members of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the period under review, there are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the company and its future operations.

SUBSIDIARY / ASSOCIATE COMPANIES:

During the year under review, no company has become/ceased as subsidiary/associate to the company.

PARTICULARS OF EMPLOYEES:

During the period under review, there were no such employees whose particulars are required to be given under the provisions of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

The information relating to Conversion of Energy, Technology Absorption, Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is as per Annexure – A and forms part of this report. It may be noted that there was not expenditure on account of technology absorption during the year 2016-17.

EXTRACT OF ANNUAL RETURN:

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

ACKNOWLEDGEMENTS:

Your Directors would also like to take this opportunity to express their sincere appreciation for the valuable support of the Customers, Dealers and Traders and the trust and confidence reposed by the valued shareholders in the Company.

By order of the Board
For Novopan Industries Limited

A Issac George
Chairman
(DIN:00005456)

Place : Hyderabad
Date : 27th July, 2017

Annexure-A

Particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conversation of Energy, Technology absorption, Foreign Exchange earnings and outgo.

Particulars	Current Year	Previous Year
A. Disclosure of Particulars with respect to Conservation of Energy, Power and Fuel Consumption:		
1 ELECTRICITY		
a) Purchased Units (in Lacs)	0.32	0.42
Total Amount (Rs. in Lacs)	2.79	3.23
(including demand charges)		
Rate / Unit (₹)	9.00	7.69
b) Own Generation		
i) Through Diesel Generator		
No of Units in lacs	-	-
Units / Litre of Diesel	-	-
Cost / Unit (₹)	-	-
ii) Through Steam Turbine	NIL	NIL
2 COAL		
Quantity (MT)	NIL	NIL
Total Cost (₹ in lacs)	NIL	NIL
Average Rate	NIL	NIL
3 OTHERS		
Consumption per unit of Production Electricity (Unit / Sq. Mtr.)	-	-
Coal (Kgs./Sq. Mtr.)	NIL	NIL
B. Disclosure of particulars to foreign exchange earnings and outgo: (Rs.in lacs)		
Foreign Exchange outgo during the current accounting period	NIL	NIL
Foreign Exchange Earnings	NIL	NIL

ANNEXURE B TO THE BOARD'S REPORT
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31-03-2017

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

FORM MGT-9
I. REGISTRATION AND OTHER DETAILS:

i	CIN	:	U55101TG1984PLC004941
ii	Registration Date	:	31st August 1984
iii	Name of the Company	:	Novopan Industries Limited
iv	Category/Sub category of the Company	:	Company having share capital
v	Address of the Registered Office and	:	IDA, Phase II, Patancheru, Medak District Telangana - 502319 Tel No. 040-27902663
vi	Whether Listed company	:	No
vii	Name address and contact details of Registrar and Transfer Agent, if any	:	XL Softech Systems Ltd No 3, Sagar Society, Road No.2 Banjara Hills, Hyderabad - 500034 Phone No 040-23542914/15

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Name and Description of main product /service	NIC Code of the product /service	% of total turnover of the company
Manufacturing of Particle Boards	16212	NIL

III. PARTICULARS OF HOLDING COMPANY: Not Applicable
IV. SHAREHOLDING PATTERN (Equity share capital Breakup as percentage of Total Equity):

i. Category - wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% of Change During the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A.PROMOTERS									
1) Indian									
a) Individual/ HUF	38077746	0	38077746	97.86	38130791	0	38130791	97.99	0.13
b) Bodies Corp	16920	0	16920	0.04	2500	0	2500	0.01	-0.03
Sub-total(A)(1):-	38094666	0	38094666	97.90	38133291	0	38133291	98.00	0.10
2) Foreign	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	170	170	0	0	170	170	0	0
b) Banks / FI	0	340	340	0	0	340	340	0	0
Sub-total (B)(1)	0	510	510	0	0	510	510	0	0
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	40036	7631	47667	0.12	35109	7631	42740	0.11	-0.01
b) Individuals									
(i) Individual \shareholders holding nominal share capital upto Rs. 1 lakh	498225	132576	630801	1.62	467448	130197	597645	1.54	-0.08
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	101972	0	101972	0.26	101972	0	101972	0.26	0.00
c) Others (NRI)	7643	26694	34337	0.09	7533	26262	33795	0.09	-0.01
Sub-total (B)(2)	647876	166901	814777	2.09	612062	164090	776152	1.99	-0.10
Total Public Shareholding (B)=(B)(1)+ (B)(2)	647876	167411	815287	2.10	612062	164600	776662	2.00	-0.10
Grand Total(A+B+C)	38742542	167411	38909953	100	38745353	164600	38909953	100	0

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the ending of the year			% change in share holding
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	G V Krishna Reddy	5714497	14.69	0	0	0	0	-14.69
2.	G Indira K Reddy	3809616	9.79	0	9524113	24.48	0	14.69
3.	G V Sanjay Reddy	8571721	22.03	0	0	0	0	-22.03
4.	G Aparna Reddy	8571721	22.03	0	17143442	44.06	0	22.03
5.	Krishna Ram Bhupal	5695694	14.64	0	16088	0.04	0	-14.60
6.	Shalini Bhupal	5714497	14.69	0	11447148	29.42	0	14.73
7.	GVK Projects & Technical Services Limited	16920	0.04	0	2500	0.01	0	-0.03
	Total	38094666	97.90	0	38133291	98.00	0	0.10

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

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	38094666	97.90	38094666	97.90
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.) Date Reason 01.04.2016 Delisting Offer 31.03.2017	38625	0.10	38133291	98.00
	At the End of the year			38133291	98.00

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager : Nil

B. Remuneration to other directors : Nil

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : Nil

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Novopan Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Novopan Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and for Internal Financial Controls Over Financial Reporting

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended vide the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting. 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 the financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements and 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

exits, 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Emphasis of Matters

We draw attention to Note 25 to the financial statements which indicates that the Company has closed manufacturing activity of particle Board and disposed of the plant and machinery and also declared voluntary retirement to its employees. These conditions, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1) 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 A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended vide the Companies (Accounting Standards) Amendment Rules, 2016.
- e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2017. Therefore, provision for any material foreseeable losses doesn't arise.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 26 to the financial statements.

For **Brahmayya & Co.**

Firm's Registration Number: 000513S

Chartered Accountants

(S.Satyanarayana Murthy)

Partner

Membership Number: 023651

Place : Hyderabad

Date : 27th July, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 **Report on Other Legal and Regulatory Requirements** of the Independent Auditors' Report of even date to the members of **Novopan Industries Limited** on the financial statements for the year ended March 31, 2017.

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanation given to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the title deeds of immovable properties included in fixed assets register are held in the name of the company.
- (ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed in respect of such verification.
- (iii) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, 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. Accordingly, the provisions of Clause 3(iii)(a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) According to the information and explanation given to us and the records of the Company examined by us, 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. Therefore, the provisions of Clause 3(v) of the said Order are not applicable to the Company.
- (vi) Since the Company stopped manufacturing activity and is disposed off its undertaking(s), maintenance of cost records under section 148(1) of the Companies Act, 2013 are not applicable.
- (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 income tax, sales tax, service tax, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. As informed to us, the provisions relating to excise duty, provident fund, employees' state insurance and customs duty are not applicable to the Company;
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, value added tax, cess and other material statutory dues were outstanding, at the year end 31st March, 2017, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax and value added tax, service tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, excise duty and customs duty as at March 31, 2017, which have not been deposited on account of a dispute, are as follows:

Nature of the Dues	Amount Rs. (in Lakhs)	Period to which the amount relates	Forum in which the dispute is pending
The Central Excise Act, 1944	36.27	2006-2007	Hon'ble High Court of Andhra Pradesh and Telengana
Service Tax, Finance Act, 1994	6.40	2010 to 2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	18.07	2008-2011	Custom Excise & Service Tax Appellate Tribunal, Bangalore
	25.22	2006-2010	Commissioner Customs, Central Excise and Service Tax, Hyderabad - 1
	32.38	2005-2010	Commissioner Customs, Central Excise and Service Tax, Hyderabad - 1
The Employees Provident Funds and Miscellaneous Provisions (Amendment) Act, 1996	7.62	2006-2009	Employees Provident Fund Appellate Tribunal, New Delhi
Forest Department of Andhra Pradesh - Royalty	33.19	1980-1984	Forest Department of Andhra Pradesh

- (viii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company has neither obtained / availed any loans or borrowings from financial institutions, banks, Government nor issued any debenture. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (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 fraud/ 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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, as the managerial personnel of the Company are not paid any remuneration the provisions of section 197 read with Schedule V to the Companies Act is not applicable for the year.
- (xii) In our opinion, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no transactions by the Company with related parties.

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, 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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, 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 **BRAHMAYYA & CO.,**
Firm Regn.No:000513S
Chartered Accountants.

(S.Satyanarayana Murthy)
Partner
Membership No:023651

Place : Hyderabad
Date : 27th July, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31 st March, 2017		As at 31 st MARCH, 2016	
		Amount ₹	Amount ₹	Amount ₹	Amount ₹
Equity and Liabilities					
Shareholders' funds					
Share capital	3	38,90,99,530		38,90,99,530	
Reserves and surplus	4	(10,66,87,068)	28,24,12,462	(11,89,28,159)	27,01,71,371
Current liabilities					
Trade payables - dues of :	5	-		-	
: micro and small enterprises (Refer Note 24)		1,64,17,075		3,97,93,892	
: creditors other than micro and small enterprises		34,39,735	1,98,56,810	40,66,293	4,38,60,185
Other current liabilities	6				
Total			30,22,69,272		31,40,31,556
Assets					
I. Non-current assets					
Tangible fixed assets	7	27,60,60,886		27,65,61,405	
Non-current investments	8	50,00,000		50,00,000	
Other non-current assets	9	32,11,304	284272190	37,66,221	28,53,27,626
II. Current assets					
Inventories	10	1,23,69,865		2,06,68,665	
Trade receivables	11	-		43,401	
Cash and Bank Balances	12	36,27,392		41,66,400	
Short-term loans and advances	13	19,58,208		38,22,151	
Other current assets	14	41,617	1,79,97,082	3,313	2,87,03,930
Total			30,22,69,272		31,40,31,556
General Information	1				
Summary of Significant Accounting Policies	2				

The accompanying Notes form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

for BRAHMAYYA & CO.

Firm Regn No. : 000513S

Chartered Accountants

(S.SATYANARAYANA MURTHY)

Partner

Membership No:023651

A ISSAC GEORGE

Chairman

(DIN: 00005456)

MURALI VARADARAJAN

Executive Director

(DIN: 03602462)

Place : Hyderabad

Date : 27th July, 2017

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

Particulars	Note No.	Current Year ₹	Previous Year ₹
Revenue			
Revenue from operations	15	-	1,04,74,600
Other income	16	5,78,38,507	2,79,45,419
Total Revenue		5,78,38,507	3,84,20,019
Expenses			
Finance costs	17	-	1,224
Depreciation	7	5,00,519	5,46,021
Other expenses	18	4,49,37,719	10,97,97,791
Total expenses		4,54,38,238	11,03,45,036
Profit / (Loss) before tax		1,24,00,269	(7,19,05,017)
Tax expense:			
Current tax		-	-
Earlier Years		(1,59,178)	1,49,16,198
Loss for the year		1,22,40,091	(8,68,41,215)
Earnings per equity share			
Basic and Diluted	22	0.31	(2.23)
General Information	1		
Summary of Significant Accounting Policies			

The accompanying notes to Accounts form an integral part of the statement of Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

for BRAHMAYYA & CO.

Firm Regn No. : 000513S

Chartered Accountants

(S.SATYANARAYANA MURTHY)

Partner

Membership No:023651

Place : Hyderabad

Date : 27th July, 2017

A ISSAC GEORGE

Chairman

(DIN: 00005456)

MURALI VARADARAJAN

Executive Director

(DIN: 03602462)

CASH FLOW STATMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Current Year (₹)	Previous Year (₹)
A Cash flow from operating activities		
Net Profit/(Loss) before tax	1,24,00,269	(7,19,25,017)
Adjustments for:		
Depreciation	5,00,519	5,46,021
Interest earned	(10,51,981)	(8,46,850)
Provision and Excess Credit Balance credited back	(5,61,22,983)	(2,63,74,273)
Income from Mutual Funds	-	(4,19,684)
Interest paid	-	1,224
Petty Balances written off	-	320
Prior period expenses	50,000	-
Advances, Debit balances, Deposits and Investments written off	1,02,836	-
Investment written off	-	4,77,900
Loss on assets held for disposal	-	3,53,866
Loss on sale of Raw Materials	4,21,82,513	70,54,297
Loss on sale of Stores	-	3,47,31,795
Provision of doubtful deposits	5,77,285	-
Provision for obsolete Inventory	-	5,55,00,000
Operating Profit before working capital changes	(13,61,542)	(9,00,401)
Adjustments for:		
Increase / (Decrease) in Trade payables	(2,25,75,933)	(73,95,824)
Increase / (Decrease) in Other current liabilities	(5,56,558)	(41,81,645)
(Increase) / Decrease in Short term loans & advances	(1,372)	47,894
(Increase) / Decrease in Inventories	-	38,38,300
(Increase) / Decrease in Other Current Assets and Other non-current assets	(1,31,793)	-
Cash generation from Operations	(2,46,27,198)	(85,91,676)
Less: Income Tax Paid (net of refund)	17,06,137	29,46,338
Net cash used in operating activities	(2,29,21,061)	(56,45,338)
B Cash flow from Investing activities		
Interest received	10,13,677	8,46,772
Purchase of Investments	-	(50,00,000)
Redemption of Investments	-	29,19,684
Purchase of Fixed Assets	-	(10,30,881)
Increase in Fixed deposits	(11,734)	(11,423)
Proceeds from Sale of Inventory	2,13,68,376	50,30,827
Proceeds from Sale of Assets	-	43,53,646
Net cash flow from Investing activities	2,23,70,319	71,08,625
C Cash flow from financing activities		
Interest paid	-	1,224
Dividends paid	-	-
Net cash used in financing activities	-	1,224
Net increase / (decrease) in cash & cash equivalents	(5,50,742)	14,62,063
Cash & cash equivalents at the beginning of the year	40,14,284	25,52,221
Cash & cash equivalents at the end of the year	34,63,542	40,14,284

As per our report of even date

For and on behalf of the Board of Directors

for BRAHMAYYA & CO.

Firm Regn No. : 000513S

Chartered Accountants

(S.SATYANARAYANA MURTHY)

Partner

Membership No:023651

Place : Hyderabad

Date : 27th July, 2017

A ISSAC GEORGE

Chairman

(DIN: 00005456)

MURALI VARADARAJAN

Executive Director

(DIN: 03602462)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**1. General Information**

Novopan Industries Limited ("the company") was in the business of production and sale of Plain & Melamine Faced Particle Boards and undertaking contracts. The company's production activities are located at their Plant in IDA, Phase –II, Patancheru for Particle Boards and IDA, Phase – IV, Patancheru for resins production. The Company closed its manufacturing activity from the financial year 2011-12.

2. Summary of Significant Accounting Policies**a. Basis of preparation of Financial Statements:**

- b. The financial statements have been prepared to comply in all material respects with accounting principles generally accepted in India and the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 (the Act), read with rule 7 of The companies (Accounts) Rule, 2014, as amended vide the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

c. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

d. Exceptional and Extraordinary Items

- (i) **Exceptional Items:** Items of income and expense from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the year.
- (ii) **Extraordinary Items:** Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and which are not expected to recur frequently or regularly.

e. Revenue Recognition:

- (i) The income from sale of goods is recognised as and when sales are made. Sales are inclusive of all Taxes, Duties and other charges and net of Trade Discounts and Rebates.
- (ii) Contract income is recognised based on work executed.
- (iii) Insurance claims are accounted for on admission by the authorities or on settlement.

f. Fixed Assets:

Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss. Cost of acquisition of fixed assets is inclusive of freight, net of duty/tax credits availed, if any, incidental expenses relating thereto and the cost of installation/erection. Financing costs relating to acquisition of fixed assets which takes substantial period of time to make them ready for intended use are also included to the extent they relate to the period upto such assets are ready for their intended use.

g. Depreciation:

Depreciation on tangible fixed assets is provided under straight line method as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013 except for the assets individually costing Rs. 5,000/- or less, which are fully depreciated in the year of acquisition.

h. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generation unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

i. Inventories:

Raw materials are stated at cost on Weighted Average method less provision for obsolescence, if any.

j. Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Long term Investments are stated at cost. Provision is made for diminution in value of investments only if such decline is other than temporary. Current Investments are carried at lower of cost and fair value determined on an Individual Investment basis.

k. Borrowing Costs:

- (i) Borrowing costs directly attributable to the acquisition, construction / erection of qualifying assets, construction / erection of an asset that necessarily takes a substantial period of time to make them ready for its intended use are capitalized as part of the cost of the respective asset.
- (ii) All other borrowing costs are charged to revenue as and when incurred.

l. Earnings per share

- (i) **Basic earnings per share:** Basic earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity share holders by weighted average number of equity shares outstanding during the year.

- (ii) **Diluted earnings per share:** Diluted earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

m. Taxes on Income

Tax expense comprising of current and deferred tax, are considered in the determination of the net profit or loss for the year.

- (i) **Current tax:** Provision for current tax, estimated to arise on the profit for the year is made at the current rate of tax in accordance with the Income-tax Act, 1961.
- (ii) **Deferred Tax:** In accordance with the Accounting Standard - 22, Accounting for taxes on income, the company recognises deferred tax liability in the accounts. Deferred tax reflects the impact of timing differences between taxable income and accounting income. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax asset is recognised only to the extent there is virtual certainty that sufficient taxable income will be available in future against which such deferred tax asset can be realised.

n. Provisions and Contingencies

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a probable 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 or a reliable estimate of the amount cannot be made, and such liability that may arise is termed as a contingent liability.

o. Cash Flow Statement:

Cash Flow Statement has been prepared under indirect method as set out in the "Accounting Standard (AS) 3: Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE NO. 3
SHARE CAPITAL

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares	₹	Number of shares	₹
Authorised:				
Equity Shares of ₹ 10/- each.	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Total	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Issued, subscribed and paid up:				
Equity Shares of ₹10/- each fully paid up	3,89,09,953	38,90,99,530	3,89,09,953	38,90,99,530
	3,89,09,953	38,90,99,530	3,89,09,953	38,90,99,530
Total	3,89,09,953	38,90,99,530	3,89,09,953	38,90,99,530

ii) Details of share holders holding morethan 5% of total number of shares

Name of the Share Holder	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares	%	Number of shares	%
Dr. G V Krishna Reddy	-	-	57,14,497	14.69
Smt G Indira Krishna Reddy	95,24,113	24.45	38,09,616	9.79
Smt G Aparna Reddy	1,71,43,44	44.06	85,71,721	22.03
Mrs Shalini Bhupal	1,14,47,148	29.42	57,14,497	14.69
Mr Krishnaram Bhupal	16,088	0.04	56,95,694	14.64
Mr G V Sanjay Reddy	-	-	85,71,721	22.03
Total	3,81,30,791	97.99	3,80,77,746	97.86

iii) Reconciliation of Number of Shares Outstanding :

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares	₹	Number of shares	₹
Equity Shares				
Balance at the beginning of the year	3,89,09,953	38,90,99,530	3,89,09,95,300	38,90,99,53,000
Balance at the end of the year	3,89,09,953	38,90,99,530	3,89,09,95,300	38,90,99,53,000

iv) Rights, preferences and restrictions attached to shares Including declaration of dividend:

The company has one class of equity shares having par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential creditors, in proportion to their shareholding.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE NO. 4
RESERVES AND SURPLUS

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Capital Reserves		
Balance at the beginning of the year	27,480	27,480
Balance at the end of the year	27,480	27,480
Securities Premium Account		
Balance at the beginning of the year	27,00,00,000	27,00,00,000
Balance at the end of the year	27,00,00,000	27,00,00,000
Revaluation Reserve		
Balance at the beginning of the year	26,05,29,103	26,05,29,103
Balance at the end of the year	26,05,29,103	26,05,29,103
General Reserve:		
Balance at the beginning of the year	4,43,44,268	4,43,44,268
Balance at the end of the year	4,43,44,268	4,43,44,268
Central and State Subsidies:		
Balance at the beginning of the year	15,00,000	15,00,000
Balance at the end of the year	15,00,000	15,00,000
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	(69,53,29,010)	(60,84,87,795)
Add: Profit / Loss for the year	1,22,41,091	(8,68,41,515)
Balance at the end of the year	(68,30,87,919)	(69,53,29,010)
Total	(10,66,87,068)	(11,89,28,159)

NOTE NO. 5
TRADE PAYABLES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Dues to : Small and Micro Enterprises *		
: Creditors others than Small and Micro Enterprises	1,64,17,075	3,97,93,892
Total	1,64,17,075	3,97,93,892

* Based on the information available with the company, Refer Note : 24

NOTE NO. 6
OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Liabilities for : expenses	3352204	32,94,611
: Other finance	17278	19,215
Deposits refundable	20,000	90,000
Advances received from customers	50,253	6,62,467
Total	34,39,735	40,66,293

NOTE NO. 7		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at 31.03.2016	Additions during the year	Deductions during the year	As at 31.03.2017	Up to 31.03.2016	for the year (Refer Note 33)	On deductions	As at 31.03.2017	As at 31.03.2016		
	₹	₹	₹	₹	₹	₹	₹	₹	₹		
Land*	27,03,75,661	-	-	27,03,75,661	-	-	-	27,03,75,661	27,03,75,661		
	(27,03,75,661)	-	-	(27,03,75,661)	-	-	-	(27,03,75,661)	(27,03,75,661)		
Buildings	52,01,44,226	(10,30,881)	-	5,20,14,426	4,52,82,661	5,00,159	-	4,63,29,201	56,85,225		
	(5,09,83,545)	-	-	(5,20,14,426)	(4,52,82,661)	(5,46,021)	-	(4,58,28,682)	(61,85,744)		
Total	32,23,90,087	-	-	32,23,90,087	4,58,28,682	5,00,519	-	4,63,29,201	27,60,60,886		
Previous Year	(32,13,59,206)	(10,30,881)	-	(32,23,90,087)	(4,52,82,661)	(5,46,021)	-	(4,58,28,682)	(27,65,61,405)		
Including revaluation.											

* Including revaluation.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE NO. 8
NON-CURRENT INVESTMENTS

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Non Trade, Unquoted		
Investments in Preference Shares:		
5,00,000(2015:5,00,000) Shares of 7% Redeemable Non-Convertible Non-cumulative Preference Shares of Rs 10/- each in Cygnus Real Estates Private Limited	50,00,000	50,00,000
Total	50,00,000	50,00,000

NOTE NO. 9
OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Unsecured, Considered Good		
Deposits recoverable	37,88,589	37,66,221
Less: Provision for doubtful deposits	5,77,285	-
Total	32,11,304	37,66,221

NOTE NO. 10
INVENTORY

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(as valued and certified by the management)		
Raw materials (at cost)	6,46,33,398	12,81,84,287
Less: Provision for Obsolete Inventory	5,22,63,533	10,75,15,622
Total	1,23,69,865	2,06,68,665

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE NO. 11
TRADE RECEIVABLES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Outstanding for a period exceeding six months from due date	-	43,401
Unsecured, Considered Good	15,22,938	15,22,938
Doubtful	15,22,938	15,66,339
Less: Provision for bad and doubtful debts	15,22,938	15,22,938
Total	-	43,401

NOTE NO. 12
CASH AND BANK BALANCES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Cash Equivalents		
Balances with banks in current accounts	34,63,542	40,14,284
Other Bank Balances		
Fixed deposits (maturing within 12 months)	1,63,850	1,52,116
Total	36,27,392	41,66,400

NOTE NO. 13
SHORT-TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Unsecured, Considered Good		
Advance tax and Tax deducted at Source(net of Provisions)	-	18,68,925
Tax deducted at Source	15,39,359	16,11,570
Income-tax Refund receivable	75,821	-
Balances with Government Authorities	38,080	38,276
Deposits recoverable	3,00,000	3,00,000
Advance for Expenses	4,948	3,380
Total	19,58,208	38,22,151

NOTE NO. 14
OTHER CURRENT ASSETS

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Interest accrued	41,617	3,313
Total	41,617	3,313

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE NO. 15
REVENUE FROM OPERATIONS

Particulars	Current Year ₹	Previous Year ₹
Contract Income	-	1,04,74,600
Total	-	1,04,74,600

NOTE NO. 16
OTHER INCOME

Particulars	Current Year ₹	Previous Year ₹
Interest Income	10,51,981	8,46,850
Provisions and credit balances written back	5,61,22,983	2,63,74,273
Prior Period Income	23,994	3,348
Income from Mutual Funds	-	4,19,684
Miscellaneous Income	6,39,549	3,01,264
Total	5,78,38,507	2,79,45,419

NOTE NO. 17
FINANCE COSTS

Particulars	Current Year ₹	Previous Year ₹
Interest expense	-	1,224
Total	-	1,224

NOTE NO. 18
OTHER EXPENSES

Particulars	Current Year ₹	Previous Year ₹
Power and fuel	2,79,268	3,23,075
Contract Expenses	-	79,53,655
Contract Labour charges	3,59,918	3,74,548
Repairs to: Buildings	2,87,400	1,38,345
: others	200	31,746
Printing and Stationery	40,701	39,532
Communication costs	30,041	64,022
Rates and taxes	3,99,128	4,47,636
Advertisement	5,985	10,438
Payments to Auditor: Statutory Audit	1,00,000	1,00,000
: Tax Audit	35,000	35,000
: Other services	-	20,000
: Service tax	23,250	4,900
Loss on sale of assets held for disposal	-	3,53,866
Travelling and Conveyance	42,104	31,680
Legal and Professional Charges	2,64,697	2,61,387
Gardening expenses	38,221	16,19,514
Miscellaneous expenses	1,16,613	2,22,669
Loss on sale of : Raw Materials	4,21,82,513	70,54,297
: Stores and Spares	-	3,47,31,795
Provision for Obsolete Inventory	-	5,55,00,000
Provision for doubtful deposits	5,77,285	-
Investments written off	-	4,77,900
Advances, Debit balances and Deposits written off	1,02,836	320
Bank charges	2,559	1,466
Prior period expenses	50,000	-
Total	4,49,37,719	10,97,97,791

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
20. Deferred Tax:

Deferred tax asset, arising on account of carry forward losses is not recognised due to lack of virtual certainty of reversal.

21. Earnings per equity share:

Basic Earnings per equity share	Current Year	Previous Year
Profit/(Loss) for the periods Rs.	1,22,41,091	(8,68,41,215)
Weighted average number of equity shares of ₹ 10/- each fully paid up	3,89,09,953	3,89,09,953
Basic Earnings per equity share	0.31	(2.23)

Since, the Company does not have any dilutive securities, the basic and diluted earnings per share are the same.

22. Commitments and Contingent Liabilities not provided for:

Sl. No.	Particulars	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
I	Towards Bank Guarantee	1,19,068	1,19,068
II	The Company received a demand from Assistant Provident Fund Commissioner (Compliance) for payment of Rs 761,604/- towards Provident Fund due on account of contract labour for the period March 2006 to March 2009 as principle employer. The Company contested the same before Employees Provident Fund Appellate Tribunal, New Delhi. As per the directions of Appellate Tribunal the Company has deposited Rs 300,000/- which is included under "Other Non-current assets.	7,61,604	7,61,604
III	Demands of the Income-tax department, contested by the company	-	2,00,60,520
IV)	Central Excise Department :		
	a) The Excise Department filed an appeal before Hon'ble CESTAT, Bangalore against refund of Excise Duty of Rs 36.26 lacs on account of abatement of Octroi claimed by the company which was decided in Company's favour. Consequently, Department filed further appeal in this regard before the Hon'ble High Court of Telangana & Andhra Pradesh.	36,26,892	36,26,892
	b) Commissioner of Customs, Central Excise & Service tax:		
	i) Reversal of Cenvat Credit on Transportation of Finished Goods for the period: July 2004 to March 2009 April 2008 to March 2011	24,47,176	18,90,488 24,47,176
	ii) Service tax on Corporate guarantee fee for 2006 to 2009	25,22,064	25,22,064
	iii) Service tax credit on out ward freight	32,38,317	32,38,317
V	Differential customs duty for non compliance of conditions laid down under Project Import Regulations, 1986	-	66,07,799
VI	Claims against the Company not acknowledged as debts		
	Royalty and Interest to Forest Department: There has been a claim by Forest Department, Government of erstwhile Andhra Pradesh for ₹ 50.83 lacs towards Royalty on account of wood supplied from 1980 to 1984 and for ₹ 13.02 lacs towards interest thereon out of which the Company had accepted the claim to the extent of ₹ 30.65 lacs towards Royalty, which is provided.	33,19,244	33,19,244
VII	Even though the Company has installed an ETP Plant and not releasing any hazardous pollutants outside factory, a public interest litigation petition was filed before Supreme Court against various industries including our company in Patancheru area. Company has also obtained a certificate from AP Pollution Control Board certifying that the pollution caused by our company is within the tolerable limits of pollution control norms. Therefore the management is not envisaging any liability in this regard.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

23. The Company has not manufactured any goods during the current year and there are no transactions in foreign currency. Hence, the additional information as required under Clause 5 of Part II of Schedule III to the Companies Act, 2013 is not furnished.

24. Disclosure under “Micro, Small and Medium Enterprises Development Act, 2006”:

As per the information available with the company, there are no dues to micro and small enterprises as on March 31, 2017.

25. The company closed manufacturing activity of particle Board during 2011-12 financial year and has disposed off the plant and machinery. In view of closure of the manufacturing activity, declaring voluntary retirement to its employees and disposal of plant and machinery, the company lost its status of going concern.

26. Disclosure on Specified Bank Notes (SBNs):

During the year, the company has specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308 E dated 31st March, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on November 8,2016	2,39,00,000	-	2,39,00,000
(+) Permitted Receipts	-	9512	-
(-) Permitted transactions	-	4957	-
(-) Amounts deposited in bank	2,39,00,000	-	2,39,00,000
Closing cash on hand as on December 30, 2016	-	4555	-

27. Employee Benefits:

Since the company has no employees, provision for Gratuity or Leave encashment as required under As - 15 does not arise.

28. Segment Reporting:

The company has closed its manufacturing activity and is presently undertaking only contract business. Hence disclosure of segment information as prescribed by the Accounting Standard 17 “Segment Reporting” is not applicable.

29. Related Party Disclosure:

Disclosures as required by the accounting standard – 18 of the Institute of Chartered Accountants of India are given below:

Key Management Personnel : Mr. Murali Varadarajan, Executive Director

During the year there are no transactions with related parties and no amounts outstanding as on 31 March, 2017.

30. In the opinion of the Board of Directors of the company, the current assets, loans and advances are expected to realize in the ordinary course of business approximately the value at which they are stated in accounts.

31. The balances in personal accounts are subject to confirmations and reconciliations.

32. Figures of the previous year have been regrouped / rearranged to conform to those of the current year.

As per our report of even date

For and on behalf of the Board of Directors

for BRAHMAYYA & CO.

Firm Regn No. : 000513S

Chartered Accountants

(S.SATYANARAYANA MURTHY)

Partner

Membership No:023651

Place : Hyderabad

Date : 27th July, 2017

A ISSAC GEORGE

Chairman

(DIN: 00005456)

MURALI VARADARAJAN

Executive Director

(DIN: 03602462)

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