

R.Subramanian And Company LLP

CHARTERED ACCOUNTANTS

(Formerly R Subramanian And Company)

Registered Office

New No 6, Old No 36, Krishnaswamy Avenue, Luz, Mylapore, Chennai - 600 004

Phone : +91-44-24992261, 24991347, 24994231 Fax : +91-44-24991408

Email : rs@rscompany.co.in Website : www.rscompany.co.in



INDEPENDENT AUDITOR'S REPORT

To :

The Members of
UCAL POLYMER INDUSTRIES LIMITED

Report on Financial Statements

We have audited the accompanying standalone financial statements of UCAL POLYMER INDUSTRIES LIMITED, which comprise of the Balance Sheet as at 31st March 2017, Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

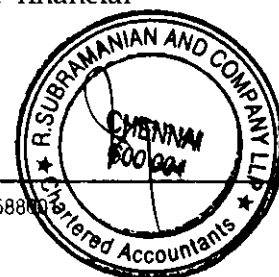
Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



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

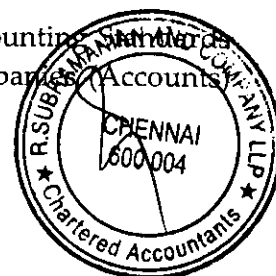
Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017; and
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order 2016, ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies Act, 2013 and the Companies (Accounts) Rules 2014.



- (e) On the basis of written representations received from the directors as on 31st March 2017 and 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.
- (f) With respect the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditors report in accordance with Rule 11 of the Companies (Audits 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;
- (ii) The Company did not have any contracts including long term derivative contracts for which there were any material foreseeable losses;
- (iii) The Company has no sum, which is required to be transferred to Investor Education and Protection fund;
- (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of account maintained by the Company.

For R.Subramanian And Company LLP
Chartered Accountants
ICAI regd. No. 004137S/S200041

Place : Chennai
Date : 27th May 2017



A handwritten signature in black ink, appearing to read "Rajaram".

R.Rajaram
Partner
M.No: 25210

Annexure "A" referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements "of our Report of even date to the members of UCAL POLYMER INDUSTRIES LIMITED on the accounts of the company for the year ended 31st March, 2017 :

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.

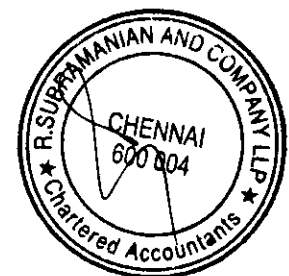
(b) As explained to us, these fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
2. According to the Information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3 (a) and 3(b) are not applicable.
4. According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not provided any loan or investments or Guarantees or Securities which falls under the purview Sec 185 and Sec 186 of Companies Act 2013.
5. According to the information and explanations given to us, the Company has not accepted deposits from the public and consequently the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) amended Rules, 2015 are not applicable.
6. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Act have been made and maintained. However, we are not required to and have not carried out any detailed examination of such records.
7. (a) According to the information and explanations given to us, the Company is regular, but with delays in few instances, in depositing with the appropriate authorities the undisputed statutory dues in the case of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess. To the best of our knowledge and according to the information and explanations given to us, there are no arrears of outstanding statutory dues as at March 31, 2017 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us and based on the records of the company examined by us, the dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess and other material statutory dues as on 31st March 2017 which have not been deposited on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Rs.	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	75,48,160/-	CIT Appeals
Income Tax Act, 1961	Income Tax	65,35,400/-	CIT Appeals
Income Tax Act, 1961	Income Tax	46,13,530/-	CIT Appeals
The Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	14,47,358/-	EPF, Appellate Tribunal, New Delhi
Central Excise Act, 1944	Service Tax	1,03,36,964/-	Joint Commissioner of Central Excise, Appeals

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions, banks and debenture holders.
9. In our opinion and according to the information and explanations given to us, the Company has not raised any money by the way of initial public offer (including debt instruments) and hence this clause is not applicable.
10. According to the information and explanations given to us, by the Company, no fraud on or by the Company has been noticed or reported, during the year.
11. The company has not paid any managerial remuneration as per the Sec 197 of The Companies Act 2013 and Schedule V of the Companies Act 2013.
12. The Company is not a Nidhi company hence this clause is not applicable.
13. All transactions mentioned are in compliance with Sec 188 of the Companies Act 2013 and are disclosed as required under the applicable Accounting Standard.
14. The Company has not made any preferential allotment or private placement of shares during the year.



15. The company has not entered into any non-cash transactions with the Directors or the persons connected with him which will come under the purview of Sec 192 Companies Act 2013.
16. As the Company is not in non-banking financial services, registration under Section 45-IA of the Reserve Bank of India Act, 1934 this clause is not applicable.

For R.Subramanian And Company LLP
Chartered Accountants
ICAI regd. No. 004137S/S200041



R.Rajaram
Partner
M.No: 25210



Place : Chennai
Date : 27th May 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Ucal Polymer Industries Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

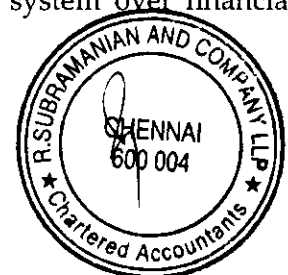
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For R.Subramanian And Company LLP
Chartered Accountants
ICAI regd. No. 004137S/S200041

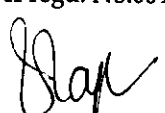

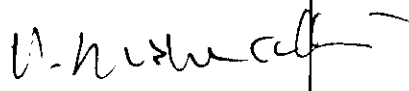



A handwritten signature in black ink, appearing to read "Rajaram".

R. Rajaram
Partner
M.No: 25210

Place : Chennai
Date : 27th May 2017

UCAL POLYMER INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2017

PARTICULARS	Note No.	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,63,52,170	1,63,52,170
(b) Reserves & Surplus	3	28,88,43,508	24,60,15,218
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	1,14,23,058	-
(b) Deferred tax liabilities (Net)	5	97,09,896	70,78,231
(3) Current Liabilities			
(a) Short-Term Borrowings	6	3,98,70,719	4,53,59,216
(b) Trade Payables	7	7,96,53,451	5,54,48,838
(c) Other Current Liabilities	8	1,03,21,557	2,05,81,336
(d) Short-Term Provisions	9	7,62,540	1,17,47,106
TOTAL		45,69,36,899	40,25,82,115
ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
- Tangible Assets	10	8,87,01,868	8,34,85,250
(b) Non-Current Investments	11	14,05,51,254	14,05,51,254
(c) Long-Term Loans & Advances	12	4,62,55,605	4,60,20,553
(2) Current Assets			
(a) Inventories	13	2,98,25,555	2,00,24,857
(b) Trade Receivables	14	14,07,89,250	9,98,92,267
(c) Cash & Bank Balances	15	19,58,016	17,84,492
(d) Short-Term Loans & Advances	16	88,55,351	1,08,23,442
TOTAL		45,69,36,899	40,25,82,115
See accompanying accounting policies and notes to accounts	01 02 to 37		
As per our report of even date R.SUBRAMANIAN AND COMPANY LLP Chartered Accountants ICAI regd. No.004137S/S200041		For and on behalf of the Board of Directors	
 R. RAJARAM PARTNER M.No.25210	 M.R. SHIVAKUMAR DIRECTOR	 V. KRISHNAMURTHY CHAIRMAN	
			
Place : Pudhucherry Date : 27-05-2017			

UCAL POLYMER INDUSTRIES LIMITED

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


Particulars	Note No.	Year Ended 31st March 2017 Rs.	Year Ended 31st March 2016 Rs.
Revenue From Operations	17	47,06,91,845	39,24,94,158
Less: Excise Duty		6,25,90,757	4,93,93,885
		40,81,01,088	34,31,00,273
Other Income	18	12,15,043	2,75,120
Total Revenue		40,93,16,131	34,33,75,393
Expenses:			
Cost of Materials Consumed	19	16,79,40,111	14,03,44,631
Changes in Inventories of work-in-progress	20	(36,32,758)	8,96,159
Employee Benefit Expense	21	3,34,06,205	2,69,46,989
Financial Costs	22	68,39,219	94,36,787
Depreciation and Amortization Expense		1,27,83,184	1,33,49,790
Other Expenses	23	11,61,01,113	8,86,60,450
Total Expenses		33,34,37,074	27,96,34,806
Profit Before Exceptional Items		7,58,79,057	6,37,40,587
Exceptional Items		-	-
Profit Before Tax		7,58,79,057	6,37,40,587
Tax expense:			
(1) Current tax		2,94,30,000	2,14,98,000
(2) (Excess) / Short Provision for Tax Relating to Earlier Years		9,89,102	11,32,991
(3) Deferred Tax		26,31,665	(7,99,329)
Profit / (Loss) for the year		4,28,28,290	4,19,08,925
Earning per equity share:			
No. of equity shares		16,35,217	16,35,217
- Basic & Diluted (In Rs.)		26.19	25.63

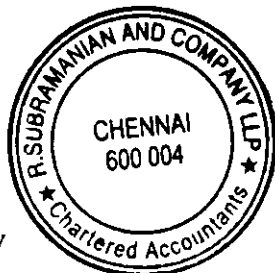
See accompanying accounting policies
and notes to accounts

01
02 to 37

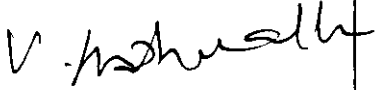
As per our report of even date
R.SUBRAMANIAN AND COMPANY LLP
Chartered Accountants
ICAI regd. No.004137S/S200041

For and on behalf of the Board of Directors


R. RAJARAM
PARTNER
M.No.25210




M.R. SHIVAKUMAR
DIRECTOR


V. KRISHNAMURTHY
CHAIRMAN

Place : Pudhucherry
Date : 27-05-2017

UCAL POLYMER INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
		Rs.		Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		7,58,79,057		6,37,40,587
<i>Adjustments for:</i>				
Depreciation and amortisation	1,27,83,184		1,33,49,790	
Finance costs	61,06,911		91,22,379	
Interest income	(5,08,197)		(2,46,920)	
Net unrealised exchange (gain) / loss	(5,30,051)	1,78,51,847	15,41,326	2,37,66,575
Operating profit / (loss) before working capital changes		9,37,30,904		8,75,07,162
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(98,00,698)		(14,31,387)	
Trade receivables	(4,08,96,983)		(1,57,95,413)	
Short-term loans and advances	19,68,091		(36,43,212)	
Long-term loans and advances	(2,35,052)		11,16,934	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	2,42,04,613		66,74,676	
Other current liabilities	(1,02,59,779)		(1,82,175)	
Short-term provisions	8,48,095	(3,41,71,713)	(50,270)	(1,33,10,847)
		5,95,59,191		7,41,96,315
Cash flow from extraordinary items		-		-
Cash generated from operations		5,95,59,191		7,41,96,315
Net income tax (paid) / refunds		3,43,79,328		1,97,53,856
Net cash flow from / (used in) operating activities (A)		2,51,79,863		5,44,42,459
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(1,79,99,802)		(1,68,31,451)	
Fixed Deposit	(5,693)		(5,966)	
Interest received				
- Others	5,08,197		2,45,140	
		(1,74,97,298)		(1,65,92,277)
Cash flow from extraordinary items				
		(1,74,97,298)		(1,65,92,277)
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		(1,74,97,298)		(1,65,92,277)



UCAL POLYMER INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Rs.		Rs.	
C. Cash flow from financing activities				
Proceeds from long-term borrowings	1,14,23,058		-	
Repayment of long-term borrowings	-		(2,52,00,000)	
Net increase / (decrease) in working capital borrowings	(54,88,497)		(17,86,896)	
Finance cost	(61,06,911)		(94,38,586)	
Dividend paid	(65,40,868)		(25,00,000)	
Tax on dividend	(13,31,567)	(80,44,785)	(5,08,941)	(3,94,34,423)
Cash flow from extraordinary items				-
Net cash flow from / (used in) financing activities (C)		(80,44,785)		(3,94,34,423)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(3,62,220)		(15,84,241)
Cash and cash equivalents at the beginning of the year		11,02,430		42,27,997
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		5,30,051		(15,41,326)
Cash and cash equivalents at the end of the year		12,70,261		11,02,430
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		19,58,016		17,84,492
Less: Bank balances not considered as Cash and cash equivalents		(6,87,755)		(6,82,062)
Net Cash and cash equivalents		12,70,261		11,02,430

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

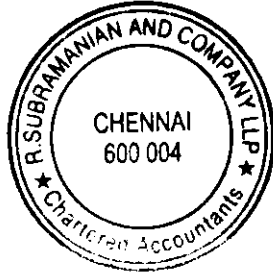
R.SUBRAMANIAN AND COMPANY LLP

Chartered Accountants

ICAI regd. No.004137S/S200041

R. Rajaram

R. RAJARAM
PARTNER
M.No.25210



M.R. Shivakumar

M.R. SHIVAKUMAR
DIRECTOR

V. Krishnamurthy

V. KRISHNAMURTHY
CHAIRMAN

Place : Pudhucherry

Date : 27-05-2017

UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Background:- The company was incorporated on 09/09/1999 and a wholly owned subsidiary of M/s.UCAL Fuel Systems Limited. The company is engaged in the manufacture and sale of moulded rubber and plastics auto components & sub assemblies.

NOTE NO.1 - SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the Act 1956"), as applicable. The statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Fixed Assets:

Fixed Assets are stated at cost less depreciation. Cost includes taxes and duties (other than excise duty for which CENVAT credit is available), freight, installation and other direct or allocated expenses and interest on related borrowing during the period of construction. No depreciation has been provided in respect of leasehold land and it will be written off in the year in which lease period expires.

c. Depreciation

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation / amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives.

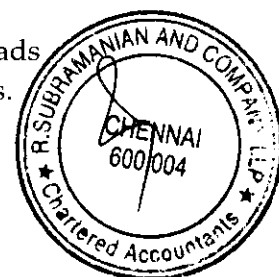
d. Revenue and Expenditure Recognition

Revenue is recognized and expenditure is accounted for on their accrual.

e. Inventory Valuation

Inventories are valued at "lower of cost or net realizable value". Cost has been ascertained as follows:

- (a) Raw Materials and Stores and Spares – First in first out basis
- (b) Work-In-Progress – Material cost plus appropriate share of overheads
- (c) Finished goods – Material cost plus appropriate share of overheads.



f. Retirement Benefits

Contribution payable by the company under defined contribution schemes towards retirement benefits in the form of provident fund for the year is charged to Profit & Loss Account. Gratuity liability is funded and the appropriate accrual of liability is valued actuarially as per 'Projected Unit Credit' method for the year is charged to profit & loss Account. Provision for leave salary is made taking into consideration the credit available to each employee as at the end of the financial year.

g. Foreign Currency Transaction

Transactions in foreign exchange are initially recognized at the rates prevailing on the date of transaction. All monetary assets and liabilities are restated at the balance sheet date using year end rates. Resultant exchange difference is recognized as income or expense in that period.

h. Segment Reporting

The Company has only one Business segment and Geographical Segment that of manufacturing Rubber and Plastic parts for Carburettors.

i. Impairment of Assets

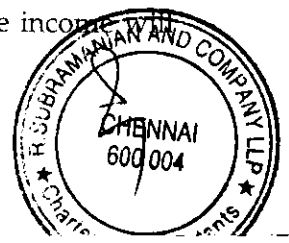
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired, after considering adjustment if any already carried out.

j. Earnings Per Share

The earnings considered in ascertaining earnings per share comprises of the net profit after tax before exceptional items. The number of shares used in computing earnings per share is the weighted average number of shares outstanding during the year. Diluted earning per share comprises of weighted average share considered for deriving basic earnings per share as well as dilutively potential equity shares.

k. Taxes on Income

Tax expense comprises of current tax and deferred tax. Current income tax is provided on the taxable income for the period as per the provision of Income tax Act 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized unless there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.



UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

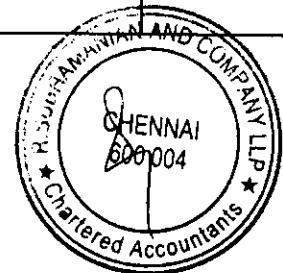
Note No.		As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
2	Share Capital		
	Equity Share Capital		
	Authorised Share capital 20,00,000 (20,00,000) shares of Rs.10/- each	2,00,00,000	2,00,00,000
	Issued, subscribed & fully paid share capital 16,35,217 (16,35,217) Equity shares of Rs.10/- each fully	1,63,52,170	1,63,52,170
	Total	1,63,52,170	1,63,52,170

2.1 Reconciliation of shares outstanding at the beginning and at the end of the year

	Equity shares No.	Equity shares No.
Shares outstanding at the beginning of the year	16,35,217	12,50,000
Shares issued during the year	-	3,85,217
Shares outstanding at the end of the year	16,35,217	16,35,217

2.2 List of share holders holding more than 5% each (Equity shares)

Particulars	31.03.2017		31.03.2016	
	No.	% of Holding	No.	% of Holding
UCAL Fuel Systems Limited (Holding Company)	16,35,217	100%	16,35,217	100%



Note No.		As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
5	Deferred Tax Liabilities (net)		
	Deferred Tax Asset		
	On account of provision for leave encashment	5,98,974	4,61,417
	Less:- Deferred Tax Liabilities		
	On account of timing difference of Depreciation on fixed assets	1,03,08,870	75,39,648
	Total	97,09,896	70,78,231

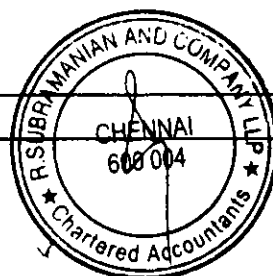
6	Short-Term Borrowings		
	Secured		
	Cash Credit from Bank *	3,98,70,719	4,53,59,216
	Total	3,98,70,719	4,53,59,216

* This loan is secured by Hypothecation of Domestic Trade Receivables with age up to 90days due from the Holding Company viz., M/s.UCAL Fuel Systems Limited and currently carries an interest rate of 12.68% p.a

7	Trade Payables		
	- Others	7,96,53,451	5,54,48,838
	Total	7,96,53,451	5,54,48,838

8	Other Current Liabilities		
	Current Maturities of Long Term Debt	20,46,941	1,25,60,200
	Interest Accrued and due on borrowings	36,904	1,48,813
	Duties & Taxes	8,81,394	9,87,220
	Statutory Dues	18,82,300	14,77,582
	Creditors - Others	9,85,190	8,67,642
	Other Payables	44,88,828	45,39,879
	Total	1,03,21,557	2,05,81,336

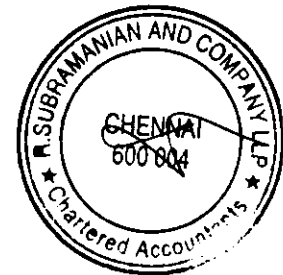
9	Short-Term Provisions		
	Provision for Employee Benefits	7,62,540	3,82,300
	Proposed Dividend	-	65,40,868
	Provision for Tax	-	34,92,371
	Tax on Proposed Dividend	-	13,31,567
	Total	7,62,540	1,17,47,106



UCAL POLYMER INDUSTRIES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017
NOTE NO.10 - FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2016	ADDITIONS	DELETIONS/ ADJUSTMENT	AS AT 31.03.2017	AS AT 01.04.2016	FOR THE YEAR	DELETIONS/ ADJUSTMENTS	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 01.04.2016
	LEASEHOLD LAND	15,97,833	-	-	15,97,833	-	-	-	-	15,97,833
BUILDINGS	2,03,08,035	3,04,248	-	2,06,12,283	46,88,419	6,74,835	-	53,63,254	1,52,49,029	1,56,19,616
PLANT & MACHINERY	13,67,67,749	57,63,775	-	14,25,31,524	7,41,58,263	1,14,79,784	-	8,56,38,047	5,68,93,477	6,26,09,486
OFFICE EQUIPMENT	15,26,075	97,322	-	16,23,397	10,14,507	1,47,302	-	11,61,809	4,61,588	5,11,568
FURNITURE & FITTINGS	20,60,902	-	-	20,60,902	14,47,248	80,200	-	15,27,448	5,33,454	6,13,654
VEHICLES	31,18,508	3,20,781	-	34,39,289	5,85,415	4,01,063	-	9,86,478	24,52,811	25,33,093
TECHNICAL KNOW-HOW FEES	12,61,082	-	-	12,61,082	12,61,082	-	-	12,61,082	-	-
TOTAL	16,66,40,184	64,86,126	-	17,31,26,310	8,31,54,934	1,27,83,184	-	9,59,38,118	7,71,88,192	8,34,85,250
CAPITAL WORK-IN-PROGRESS									1,15,13,676	8,87,01,866

(All Amounts in Rs.)

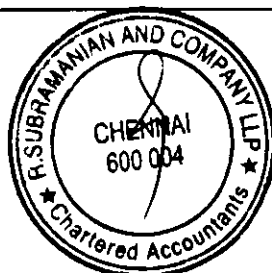


Note No.		As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
11	Non-Current Investments Investments in Subsidiary (Unquoted Investments in UPIL - USA - subsidiary company - 30,00,000 shares of US \$ 1 each)	14,05,51,254	14,05,51,254
	Total	14,05,51,254	14,05,51,254

12	Long Term Loans and Advances Unsecured considered good Security Deposits Other Loans and Advances	19,55,605 4,43,00,000	17,20,553 4,43,00,000
	Total	4,62,55,605	4,60,20,553

13	Inventories Raw materials (at cost) (Valued First in First out basis) Work in progress Finished goods Consumable Dies (at cost) Stores and spares (at cost) Goods in transit	1,63,80,823 53,19,446 24,38,759 29,48,975 26,47,642 89,910	1,37,90,407 - 37,24,107 4,01,340 1,24,500 16,31,608 3,52,895
	Total	2,98,25,555	2,00,24,857

14	Trade Receivables Unsecured/ Considered good Trade receivables - Outstanding for a period exceeding six months from the date they become due for payment Trade receivables - Outstanding for a period less than six months from the date they become due for payment	1,14,932 14,06,74,318	6,55,149 9,92,37,118
	Total	14,07,89,250	9,98,92,267

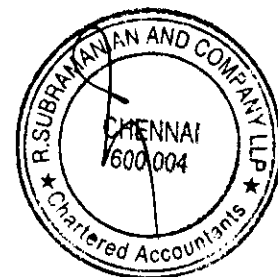


UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No.		As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
15	Cash and Bank Balances		
	Cash and Cash Equivalents		
	Balances with banks	12,40,575	10,73,304
	Cheques, drafts on hands		
	Cash on hand	29,686	29,126
	Other Bank Deposits		
	- Fixed Deposit - under lien	50,000	50,000
	- Margin money to bank against Letter of Credit	6,37,755	6,32,062
	Total	19,58,016	17,84,492

16	Short-Term Loans and Advances		
	Unsecured / Considered good		
	Supplier Advance	41,37,243	49,71,547
	Advance Income Tax (Net of Provisions)	4,93,459	-
	Capital Advances	-	45,00,000
	Other Loans & Advances	7,43,885	8,11,042
	Prepaid Expenses	7,34,560	2,07,402
	Balance with Central Excise	27,46,204	3,33,451
	Total	88,55,351	1,08,23,442



UCAL POLYMER INDUSTRIES LIMITED

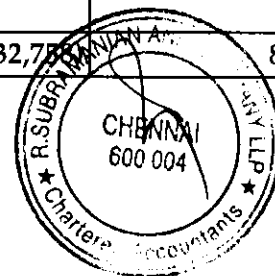
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No.		Year Ended 31st March 2017 Rs.	Year Ended 31st March 2016 Rs.
17	Revenue From Operations		
	Rubber Bonded Components	17,90,70,034	12,15,73,426
	Plastics and Assembly Parts	29,01,58,748	25,48,41,624
	Others	14,63,063	1,60,79,108
		47,06,91,845	39,24,94,158
	Less: Excise Duty	6,25,90,757	4,93,93,885
	Total	40,81,01,088	34,31,00,273

18	Other Income		
	Interest income	5,08,197	2,46,920
	Other Non-Operating Income	7,06,846	28,200
	Total	12,15,043	2,75,120

19	Cost of Materials Consumed		
	Opening Stock		
	Raw Materials / Components	1,37,90,407	1,11,40,065
	Add: Purchases		
	Raw Materials / Components	12,18,17,831	11,30,26,196
	Outworks	4,87,12,696	2,99,68,777
		18,43,20,934	15,41,35,038
	Less: Closing Stock		
	Raw Materials / Components	1,63,80,823	1,37,90,407
	Total	16,79,40,111	14,03,44,631

20	Changes in inventories of Work-in-Progress		
	Opening Stock	41,25,447	50,21,606
	Closing Stock	77,58,205	41,25,447
	(Increase) / Decrease in Work-in-Progress	(36,32,758)	8,96,159



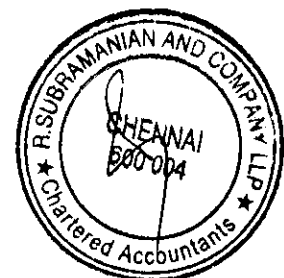
UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No.		Year Ended 31st March 2017 Rs.	Year Ended. 31st March 2016 Rs.
21	Employees Benefits Expense		
	Salaries and wages	2,70,45,679	2,17,17,081
	Contribution to provident and other funds	22,71,390	18,89,842
	Staff welfare expenses	40,89,136	33,40,066
	Total	3,34,06,205	2,69,46,989

22	Finance Costs		
	Interest Expenses	61,06,911	91,22,379
	Bank charges	7,32,308	3,14,408
	Total	68,39,219	94,36,787

23	Other Expenses		
	Consumption of stores and spare parts	3,21,42,789	2,59,83,535
	Audit Fee:		
	Statutory Audit	2,00,000	2,00,000
	Tax Audit	50,000	50,000
	Power & Fuel	90,54,206	89,09,399
	CSR Spends	1,11,00,000	21,50,000
	Rent	4,05,57,156	2,79,89,712
	Repairs to Buildings	15,95,584	54,24,446
	Repairs to Machinery	16,16,794	35,00,205
	Repairs to Others	53,02,108	46,07,289
	Insurance	1,74,077	1,72,656
	Professional Charges	80,80,697	25,01,467
	Rates and Taxes	6,94,865	1,80,360
	Miscellaneous Expenses	55,32,837	69,91,381
	Total	11,61,01,113	8,86,60,450



UCAL POLYMER INDUSTRIES LIMITED

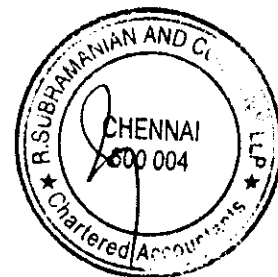
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

24. Related Party Disclosures

Name of the related parties and relationship:

- a. UCAL Fuel Systems Limited - Holding Company
- b. UPIL – USA - Subsidiary Company
- c. Fellow Subsidiary Company
 - i. Amtec Precision Products Inc.U.S.A
 - ii. North American Acquisition Corporation
(Wholly owned subsidiary of Amtec)
 - iii. Amtec Moulded Products Inc.U.S.A
(Wholly owned subsidiary of Amtec)
- d. Parties having significant interest:-
 - i. Bharat Foundations Private Limited
 - ii. Bharat Business Consultants Private Limited
 - iii. Minica Services Private Limited
 - iv. Magnetic Meter Systems India Limited
 - v. Sujo Land & Properties Private Limited
 - vi. Southern Ceramics Private Limited

Related Party relationship is identified by the company and relied upon by the auditor.



UCAL POLYMER INDUSTRIES LIMITED

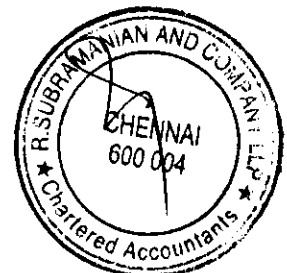
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Description of amounts with respect to related parties:

(Figures in Rs.)

Nature of Transactions	Holding Company	Subsidiary Company	Parties having significant interest
Sale of Goods (Net excise duty)	39,90,15,543 (31,94,98,217)	--- (---)	--- (---)
Labour Charges Paid	12,740 (---)	--- (---)	2,71,10,702 (1,16,27,380)
Rent paid	1,21,100 (120,317)	--- (---)	4,04,36,056 (2,35,99,795)
Dividend paid	--- (65,40,868)	--- (---)	--- (---)
Professional charges	--- (---)	--- (---)	34,29,000 (---)
Investments	--- (---)	14,05,51,254 (14,05,51,254)	--- (---)
Net Receivables	13,80,21,972 (9,66,26,427)	--- (---)	--- (---)
Net payables	--- (---)	--- (---)	2,96,18,819 (1,41,08,293)

Figures in brackets represent corresponding amount of previous year



UCAL POLYMER INDUSTRIES LIMITED

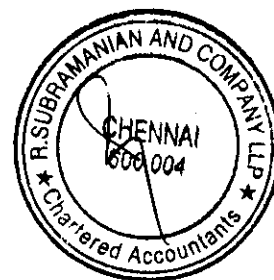
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

25. Contingent Liabilities and Commitments (to the extent not provided for)

	(All Amounts in Rs.)	
	2016-17	2015-16
Taxation matter under appeal with Commissioner of Income Tax (Asst Year 2012-13)	75,48,160	75,48,160
Taxation matter under appeal with Commissioner of Income Tax (Asst Year 2013-14)	65,35,400	65,35,400
Taxation matter under appeal with Commissioner of Income Tax (Asst Year 2014-15)	46,13,530	----
E.P.F.O with Assistant Commissioner	14,47,358	14,47,358
Taxation matter under appeal with Joint Commissioner of Central Excise	1,03,36,964	81,93,320

26. Earnings per Share (EPS) calculation (Basic & Diluted):

	Unit	2016- 17	2015-16
(a) Profit after tax	Rs	4,28,28,290	4,19,08,925
(b) No. of Equity share	Nos.	16,35,217	16,35,217
(c) Nominal Value per Share	Rs.	10	10
(d) Earnings per Share	Rs.	26.19	25.63



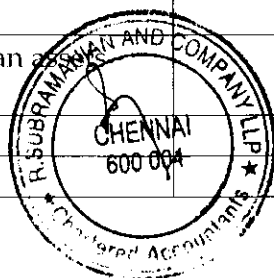
UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

27. Retirement Benefits

Disclosures for defined plans based on actuarial reports as on 31st March 2017 (All Amounts in Rs.)

Description	As on 31 st March 2017		As on 31 st March 2016	
	Funded	Non-Funded	Funded	Non-Funded
	Gratuity	Leave encashment	Gratuity	Leave encashment
(i) Change in Defined Benefit Obligation				
Opening defined benefit obligation	28,04,400	382,300	2,470,810	432,570
Current Service cost	2,69,770	110,670	270,880	111,130
Interest Cost	2,21,550	30,160	180,000	33,740
Actuarial loss / (gain)	5,71,900	240,550	208,930	195,140
Benefits paid	---	(1,140)	(326,220)	---
Closing defined benefit obligation	38,67,620	762,540	2,804,400	382,300
(ii) Change in Fair Value of Assets				
Opening fair value of plan assets	19,60,580	-	2,119,340	-
Expected return on plan assets	2,03,010	-	176,060	-
Actuarial gain / (loss)	14,230	-	(8,590)	-
Contributions by employer	5,90,210	-	59,448	-
Benefits paid	---	-	(326,220)	-
Closing fair value of plan assets	27,68,030	-	1,960,580	-
(iii) Amount recognized in the Balance Sheet				
Present value of obligations as at year end	38,67,620	762,540	2,804,400	382,300
Fair value of plan assets as at year end	27,68,030	-	1,960,580	-
Amount not recognized as an assets		-		-
Net asset / Liability) recognized as on 31.03.2017	(10,99,590)	762,540	(843,820)	382,300
(iv) Expenses recognized in the profit & loss account				
Current service cost	2,69,770	110,670	270,880	111,130
Interest Cost	2,21,555	30,160	180,000	33,740
Expected Return on Plan Assets	(2,03,010)	---	(176,060)	---
Net actuarial loss / (gain) recognized in the current year	5,57,670	240,550	217,530	195,140
Expenses Recognised in Statement of Profit & Loss	8,45,980	381,380	492,350	50,270
(v) Principal actuarial assumptions used				
Discount rate (p.a)	7.30%	7.30%	7.90%	7.90%
Expected rate of return on plan assets (p.a)	9.00%	N/A	9.00%	N/A
Salary Escalation (p.a)	7.00%	7.00%	7.00%	7.00%
Attrition rate (p.a)	5.00%	5.00%	5.00%	5.00%



UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

28. Small, Micro & Medium enterprise:

There are no Micro, Small and Medium Enterprises under the Micro, Small & Medium Enterprises Development Act 2006 determined on the basis of information available with the company and hence no disclosure is required.

29. Sales

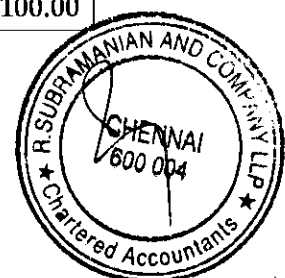
	2016-17		2015-16	
	Qty / No.	Value (Rs.)	Qty / No.	Value (Rs.)
Rubber Bonded Components	1,54,83,011	14,94,88,213	86,90,751	10,38,22,495
Plastics and Assembly Parts	2,06,89,277	25,73,12,374	1,66,63,818	22,49,85,237
Others	940	13,00,501	7,148	1,42,92,541
TOTAL		40,81,01,088		34,31,00,273

30. Raw Materials and Components Consumed

	UOM	2016-17		2015-16	
		Qty	Amount (Rs.)	Qty	Amount (Rs.)
Raw Material					
PLATE SS	Nos	16,60,450	49,81,350	8,91,000	26,73,000
Other Components and raw materials (which do not individually account for more than 10% of the total consumption)			15,93,26,003		13,85,67,790
TOTAL			16,43,07,353		14,12,40,790

31. Value and Percentage of Consumption of Imported and Indigenous Raw Materials and Components

	2016-17		2015-16	
	Rs.	%	Rs.	%
Imported	6,86,43,446	41.78	5,86,79,204	41.55
Indigenous	9,56,63,907	58.22	8,25,61,586	58.45
TOTAL	16,43,07,353	100.00	14,12,40,790	100.00



UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

32. Value of Imports on CIF Basis

	2016-17	2015-16
	Rs.	Rs.
Raw Materials/Components	7,42,40,954	6,76,89,678
Consumables	12,56,897	13,22,485
Capital Goods	----	72,80,970

33. Expenditure in Foreign Currency

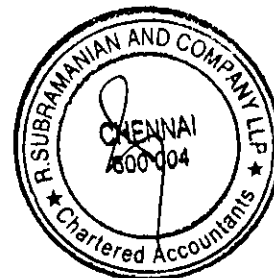
	2016-17	2015-16
	Rs.	Rs.
Foreign Travel Expenditure	----	----
Consultancy Charges	----	----

34. Auditors' Remuneration

	2016-17	2015-16
	Rs.	Rs.
For Audit Fees	200,000	200,000
For Tax Audit	50,000	50,000

35. Earnings in Foreign Currency

	2016-17	2015-16
	Rs.	Rs.
Export of Goods on CIF basis	----	----



UCAL POLYMER INDUSTRIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

36. Previous year figures have been reclassified to conform to this year's classification.

37. Figures have been rounded off to the nearest Rupees.

As per our report of even date
R. SUBRAMANIAN AND COMPANY
Chartered Accountants
ICAI regd. No.004137S/S200041

For and on behalf of the Board of Directors



R. RAJARAM
PARTNER



M.R. SHIVAKUMAR
DIRECTOR



V. KRISHNAMURTHY
CHAIRMAN

Place : Pudhucherry
Date : 27-05-2017

