



**APT PACKAGING LTD**

**34<sup>th</sup> ANNUAL REPORT 2014**



**BOARD OF DIRECTORS :**

	: Shri. ARVIND MACHHAR	- MANAGING DIRECTOR
	: Shri. SANDEEP MACHHAR	- DIRECTOR
	: Shri. RAVI MACHHAR	- DIRECTOR
	: Shri. GHEVERCHAND M. BOTHARA	- DIRECTOR
	: Shri. BALAPRASAD TAPDIYA	- DIRECTOR

**AUDITORS**

: M/S RATHI & BANGAD  
Chartered Accountant, Aurangabad

**BANKERS**

: PUNJAB NATIONAL BANK

**REGISTERED OFFICE**

: J-18, MIDC, CHIKALTHANA,  
AURANGABAD- 431006  
Website: <http://www.aptpackaging.in>

**LOCATION OF PLANT****: CO-EXTRUDED TUBES DIVISION**

1. Gut No. 72, Village Pharola, Post Beedkin, Tq.-Paithan,  
Dist. - Aurangabad – 431105 (MS).
2. Khasra No 529, 5<sup>th</sup> KM Stone, AkabarpurUrd, Laksar-  
Hardwar Road, Laksar, Distt:-Hardwar (Uttarakhand)

**REGISTRAR AND TRANSFER  
AGENT**

: M/S LINK INTIME INDIA PVT. LIMITED  
C-13, PANNALAL SILK MILLS COMPOUND  
L.B.S. MARG BHANDUP (W), MUMBAI – 400078  
Website: <http://www.linkintime.co.in>

**Notice of Annual General Meeting**

**NOTICE** is hereby given that the 34<sup>th</sup> Annual General Meeting of the members of Apt Packaging Limited will be held on Saturday, the 23<sup>rd</sup> day of August, 2014 at 11:30 AM at the registered office of the Company situated at J-18, MIDC Area, Chikalthana, Aurangabad - 431006 (MS) to transact the following business:

**ORDINARY BUSINESS**

1. To consider, approve and adopt the Balance Sheet of the Company as on 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date and the report of the Statutory Auditors and the Directors thereon.
2. To appoint a director in place of Mr. B.H. Tapdiya, who retires by rotation and being eligible to offers himself for re-appointment
3. To appoint M/s Rathi & Bangad, Chartered Accountants, as an Auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next three annual general meetings and also fix their remuneration.

**SPECIAL BUSINESS**

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

"RESOLVED THAT subject to approval of the appropriate Authority and pursuant to provisions of section 66 and other applicable provisions of The Companies Act, 2013, the paid up and face value of 52,63,467 equity shares of Rs. 10 each be and is hereby reduced to Rs. 5 per share, resultantly, the company shall have 52,63,467 equity shares of face value of Rs 5 each fully paid up .

"RESOLVED FURTHER THAT pursuant to provisions of section 61 and other applicable provisions of The Companies Act, 2013, 52,63,467 equity shares of the company having face value of Rs 5 each shall be consolidated by reducing the number of shares to 2631734 having paid up & face value of 10 each, effective date to be decided by the Board.

"RESOLVED FURTHER THAT Mr. Arvind Machhar, Managing Director be and is hereby authorized to do all such acts, deeds and things to give effect to above resolutions including signing and filing the requisite form with the Registrar of Companies, Maharashtra Mumbai."

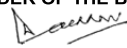
5. **To consider and if thought fit to pass with or without modification the following resolution as Special Resolution**

"RESOLVED THAT pursuant to the draft rehabilitation scheme submitted by the company before the Hon'ble Board for Industrial and Financial Reconstructions, New Delhi (BIFR), subject to the directions of BIFR in the sanctioned scheme to be pronounced and to comply with provisions of the section 62 and other applicable provisions of the Companies Act, 2013 and applicable articles of the Articles of Association of the Company, the consent of the members be and is hereby granted to Board of Directors to offer, issue and allot the 13,15,867 (Thirteen lacs fifteen thousand eight hundred and sixty seven) equity shares of the Company for cash at par in the ratio of one share for every two shares held in the company to the shareholders of the company whose names are borne on the register of members on the record date to be fixed by the Board ignoring the fractions and such right equity shares shall rank in all respects pari-passu with the existing equity shares.

RESOLVED FURTHER that any of the said shares unsubscribed- / un renounced by the shareholders may be allotted to the promoters and /or promoters group as may be deemed fit by the Board of Directors of the Company

RESOLVED FURTHER THAT Mr. Arvind Machhar, Managing Director of the Company be and is hereby authorized to file the requisite forms with the Registrar of Companies, Mumbai and complete other formalities."

BY ORDER OF THE BOARD

  
**ARVIND MACHHAR**  
**MANAGING DIRECTOR**  
**DIN:- 00251843**

**PLACE: AURANGABAD**

**DATE: 30.05.2014**

**NOTES:**

- 1) A member entitled to attend and vote and is also entitled to appoint a proxy to vote instead of himself and the proxy need not be a member of the company and the proxy in order to be valid must be deposited with the company at least 48 hours before the time for the meeting.
- 2) The Register of Members and the Share Transfer Books of the company will remain closed from August 18<sup>th</sup>, 2014 to August 23<sup>rd</sup>, 2014 (both days inclusive).
- 3) The members are requested to intimate to Share Transfer Agent of the Company, changes, if any, in their registered address at an early date and bring the copy of the Annual Report and attendance slip at the Annual General Meeting.
- 4) In all correspondence with the Company/Registrars, members are requested to quote their registered folio number.
- 5) All the documents referred to in accompanying notice are open for inspection at the Registered Office of the company on all working days except Sunday and Holidays between 11.00 a.m. to 5.00 p.m. up to the date of Annual General Meeting.
- 6) As per provisions of the Companies Act, 2013, has introduced provisions for nominations by the holders of shares. The prescribed nomination forms can be obtained from the Company's Registrar and Share Transfer Agent, in case of shares. The Members may take advantage of this facility, if needed.

**Explanatory Statement**

**ITEM NO:4** The company has submitted the Draft Rehabilitation Scheme (DRS) with the Hon'ble Board for Industrial & Financial Reconstruction (BIFR), New Delhi in which one of the proposals is reduction of equity share capital to the extent of 50% of face value i.e. Rs 5 per equity share. The proposal is based on recommendation given by an expert consultant looking into the future business prospect of the company. Further, the company is approaching to make compromise and arrangement with the secured creditors, unsecured creditors and various government agencies, it is felt that shareholders should also contribute by way of waiving at least 50% of their interest for revival of the company looking into accumulated losses.

In order to maintain the synergy with the authorized share capital of the company, it is further proposed to increase the face value and paid up value of Rs 5 per share to Rs 10 per share by reducing the number of shares to half. Resultantly, the company shall have paid up share capital comprising of 26,31,734 shares of Rs 10 each. The members are requested to pass the resolution as special resolution. None of the directors is interested in this resolution.

**ITEM NO:5** In terms of the DSR submitted by the company to Hon'ble Board for Industrial and Financial Reconstructions, New Delhi (BIFR), the company propose to issue and allot 13,15,867 fresh equity shares in the ratio of one share for every two shares held in the company to the shareholder on right basis. On sanction and notification of the Sanction Scheme by BIFR, the date for the right issue would be decided by the Board and the required procedure will be followed. In the event of some shareholders do not subscribes to the rights issue, the Board may offer the same to the promoters and / or promoters group. Therefore in accordance with the provisions of Section 62 of The Companies Act 2013, the approval of the members by way of special resolution is required. Hence, this resolution is proposed to be passed by the shareholders.

The Directors to the extent of additional subscription in the event of non subscription by the other shareholders are interested in this resolution.

DIRECTORS' REPORT

To,  
The Members of  
Apt Packaging Limited  
Dear Shareholders

The Directors are pleased to present Thirty Forth Annual Report on the performance of the company for the financial year ended on 31<sup>st</sup> March'2014.

**1. FINANCIAL RESULTS**

(Rs in Lacs)

PARTICULARS	YEAR ENDED ON 31.03.2014	YEAR ENDED ON 31.03.2013
Sales and other Income	2,879.94	3109.78
<b>Less:</b> Operating Expenses	2,489.22	2882.25
Profit before Interest and Depreciation	<b>390.72</b>	<b>227.53</b>
<b>DEDUCTIONS</b>		
Interest	460.65	419.94
Depreciation & Impairment	274.91	309.13
<b>Operational Profit before Tax</b>	<b>(344.85)</b>	<b>(501.54)</b>
Previous Year Income / Expenses	0.58	3.97
Net Profit / (Loss)	<b>(345.42)</b>	<b>(505.51)</b>
Extra ordinary items – Profit on Sale of Fixed Assets	177.66	0.02
Income Tax	0.00	0.00
<b>NET PROFIT FOR THE YEAR</b>	<b>(167.76)</b>	<b>(505.49)</b>

**2. PERFORMANCE REVIEW**

During the year under review the sales and other income has declined to at Rs.2879.94 Lacs as against Rs. 3109.78 Lacs in the previous year. The decline was mainly due to overall weak domestic economy, pressure on selling prizes due to recession, shifting of customers' interest towards low cost products, unhealthy competition from unorganized sector etc. However the export sales during the year have doubled to Rs. 683.04 Lacs as against Rs. 337.36 Lacs in the year 2012-2013.

**3. OPERATIONAL PERFORMANCE**

In spite of decrease in sales the profit before interest and depreciation increased by 71.50% to Rs. 390.72 Lacs as against Rs. 227.53 in the previous year. This is result of well thought strategy cost reduction, optimum utilization of sources, better product mix and higher automation. The company has strengthened the domestic marketing team and installed various machines during the year, the impact of the same will be seen in the coming year.

**4. NET WORTH OF THE COMPANY AND SICKNESS CRITERIA**

The Company has been registered with Board of Industrial and Financial Reconstruction, New Delhi (BIFR) as a sick company as the net worth of the company turned negative as per audited balance sheet as on 31.03.2013.. Hon'ble BIFR has appointed Punjab National Bank as Operating Agency (OA). The Company is preparing the Draft Rehabilitation Scheme (DRS) for submission to the BIFR & OA.

**5. CAPITAL REDUCTION AND ISSUE OF RIGHT SHARES AS PER DRS**

In accordance with the DRS being prepared by the Company for submission to Operating Agency and to the BIFR, your Directors are proposing to reduce the face value of the share by 50% from the current face value of Rs.10/- per share to Rs.5/- per share. Thus the share capital would be reduced from Rs.526.35 Lacs to Rs.263.18 Lacs. This reduction in capital would help in reducing the accumulated losses to that extent, besides the face value of the share will represent its true value and would be in the larger interest of the shareholders in long run. Although the reduction of capital would also be a part of the DRS, necessary process is also being initiated under the provisions of The Companies Act 2013 to effectuate the said reduction. An appropriate resolution in this regard is being proposed in the ensuing Annual General Meeting for consideration of members.

**6. ISSUE OF RIGHT SHARES AS PER DRS**

In accordance with the Draft Rehabilitation Scheme being prepared by the Company for submission to Operating Agency and to the BIFR, your Directors are proposing for fresh issue of shares on right basis to the existing shareholders in the ratio of one equity share for every two shares held. This right issue is to meet the promoters contribution in the scheme of rehabilitation. This fresh right issue of shares will strengthen the financials of the Company and would be in the overall interest of the Company.. Although the right issue of capital would also be a part of the DRS, necessary process is also being initiated under the provisions of The Companies Act 2013 to effectuate the said issue. An appropriate resolution in this regard is being proposed in the ensuing Annual General Meeting for consideration of members.

**7. DIVIDEND:**

In view of unavailability of the profits, the Board of Directors expresses its inability to declare any dividend for the year ended 31<sup>st</sup> March 2014.

**8. FIXED DEPOSIT:**

Your Company has not accepted any deposits under section 73 (1) of the Companies Act, 2013, from the public during the year.

**9. INSURANCE:**

All the properties of the Company including Plant & Machinery, Stores and Stocks, wherever necessary and to the extent required have been adequately insured.

**10. DIRECTOR**

During the year Mr. Nawnit machhar, Whole Time Director of the Company resigned due to personal reasons The Company is thankful to him for his valuable contribution made to company from time to time.

Shri.B. H. Tapdiya, Director of the Company is retiring by rotation and being eligible to offer himself for re appointment. The Board recommends his re- appointment.

#### 11. AUDITORS:

M/s. Rathi & Bangad, Chartered Accountants, Aurangabad, the Statutory Auditors of the Company are retiring at the forthcoming annual general meeting and they are eligible for re-appointment. The Board recommends their re-appointment for next three years.

#### 12. PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration exceeding the monetary ceiling prescribed under Section 217(2A) of the Old Companies Act, 1956 or as per New Companies Act 2013 read with the companies (Particulars of Employees) Rules 1975 old and Rule 2011.

#### 13. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 134(3 & 7) of the Companies Act, 2013, the Board confirms that:

- Applicable accounting standards have been followed with explanation for any material departures
- Selected accounting policies have been applied consistently 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 and loss of the company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraudulent other irregularities
- The annual accounts are prepared on a going concern basis;
- Internal financial controls laid have been followed by the company and that such controls are adequate and are operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 14. COMPOSITION OF AUDIT COMMITTEE

The composition of Audit committee of the company as follows:

SR NO	NAME OF THE MEMEBR	DESIGNATION
01.	SHRI. G. M. BOTHRA	CHAIRMAN (Independent Director)
02.	SHRI. ARVIND MACHHAR	MEMBER (Managing Director)
03.	SHRI. B. H. TAPDIYA	MEMBER (Independent Director)

#### 15. INFORMATION TECHNOLOGY (IT)

The Company firmly believes that IT is the backbone of any industry in today's environment and is using it as a tool for communication; improve in production and productivity besides using it as marketing tool. The efficiency, effectiveness and reliability of the available sources of the Company is improved due to optimum use of IT. The Company has mini ERP program me at its manufacturing facility.

#### 16. HEALTH, SAFETY AND ENVIRONMENT

The company also accords highest priority to Protection of Environment. And therefore has effective waste management systems to prevent any hazards to the environment; has taken adequate steps to prevent occurrence of any accidents; has taken measures to ensure Health and Safety of its employees and work force. The company conducts regular medical checkups and counseling to ensure fitness of its employees. The company has taken insurance policy of all of its employee.

#### 17. EXTRACT OF ANNUAL RETURN AS PROVIDED UNDER SECTION (3) OF SECTION 92 OF THE COMPANIES ACT 2013.

Pursuant to the provisions of section (3) OF SECTION 92 of the Companies Act, 2013, the Board confirms that:

- The company has accepted the new formats of Annual Returns for the financial year 2013 14 and contents thereof to disclose the detail information as per new form no 7.7 containing the particulars as per financial year.
- The meetings of the Boards of the company are to be given in Corporate Governance Report of the company.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for preventing and detecting fraud and other irregularities in terms of Section 149 of Companies Act, 2013.
- The company has adopted all the provisions and procedure laid under the new companies Act 2013 for the purpose of appointment of Director, Independent Director and their remuneration including their criteria for qualification, reservation etc. as per section 178 (3) of the companies act 2013.
- During the year company has not given any guarantee; loan to any person or body corporate; made new investment in terms of section 186 of the companies act 2013 except for advances to suppliers and employees in the normal course of business were given.
- During the year company has complied the requirements of Section 188 of Companies Act, 2013 with respect to Related Party Transactions.

#### 18. AUDITORS' OBSERVATIONS:

**Refer Point No.1** of the Auditors Report: In respect of the accounts of the Company for the year have been prepared on 'Going Concern Basis', the BIFR has appointed Punjab National Bank as the operating agency. The Company has approached to sole banker Punjab National Bank for re scheduling of installments and concessions in rate of interest and bank charges. The Company is approaching to other governments for some reliefs. The Company is preparing Draft Rehabilitation Scheme for submission to OA & BIFR. "In view of above the accounts of the Period under review have been prepared on going concern basis". (Refer Note Number 35)

**Refer Point No.2** of the Auditors Report: In respect of the debtors, creditors, loans and advances including inter corporate deposits (taken and given), balances with statutory / fiscal liabilities ( Assets & Liabilities) i.e. Excise & Service Tax deposits / balances, the company is following the system of perpetual confirmation and reconciliation. Accordingly, all the accounts are reconciled and adjusted as and when a note of discrepancy is received from the concerned party and in the opinion of management the ultimate difference will not be material. (Refer Note no.40)

**Refer Point No.3** of the Auditors Report: In respect of unimplemented portion of BIFR's Sanctioned scheme, the Company is making efforts legally or otherwise to get the scheme implemented. The scheme has attained finality and in the opinion of Directors, the scheme will be implemented fully. (Refer Note No.34)

**19. REPORT ON CORPORATE GOVERNANCE**

A report on corporate governance as required in terms of clause 49 of the Listing Agreement with the Bombay Stock Exchange, containing required details is annexed with report and forming part of this report.

**20. CORPORATE SOCIAL RESPONSIBILITY**

The Company has introduced the 5 S, good manufacturing practices, regular training programmes of casual workers and permanent employees. Aurangabad plant has been recently certified by ISO and ISO Certification for Haridwar plant is in process. The Company is making all efforts to improve efficiency on all fronts to sustain competition and thereby continue to keep the employment of the employees, contribute towards the exchequer by way of direct and indirect taxes, generate foreign exchange for the country through exports and remain in business.

**21. RELATION WITH EMPLOYEES**

The relation with the employees continued to be cordial during the year. The directors wish to place on record their sincere appreciation for the excellent team spirit with which they have worked for the progress of the Company.

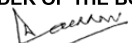
**22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC**

- a) **Conservation of Energy:** The Company consistently pursues reduction in energy consumption in its manufacturing process on an ongoing basis. The Company have been granted monetary Incentive from Govt. of Maharashtra for energy saving. At Haridwar the Company has shifted running of plant on "generating set" in case of power failures and have now taken power connection with "continuous power supply connection from Uttarakhand Power Supply Company Ltd (UPSCL) by paying 15% extra power tariff. Thus elimination of power through generator set has more than compensated us not only in power cost but also helped us in reducing the rejection.
- b) **Technology Absorption:** The Company has not installed any new Plant or Machinery with new technology during the year.
- c) **Foreign Exchange Earning and Outgo:** Foreign Exchange earning of the Company is Rs. 807.27 lacs for the year under review, whereas the outgo is Rs. 462.48 lacs.

**23. ACKNOWLEDGEMENT**

The Board of Directors place on records their sincere gratitude to the employees of their hard work and would like to compliment those Executives who were involved in starting timely production at Uttarakhand plant for their all out efforts, to Punjab National Bank as sole banker, statutory Authority for their continual support and to the investors for their trust and confidence on the Management.

BY ORDER OF THE BOARD



**ARVIND MACHHAR**  
MANAGING DIRECTOR  
DIN:- 00251843

PLACE: AURANGABAD

DATE: 30.05.2014

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

**1. COMPANY'S PHILOSOPHY**

The Company believes that the code prescribes a minimum framework for governance of a business in corporate framework. The company has set, as its mission, the implementation of a Corporate Governance system to ensure transparency, control, accountability and responsibility in all areas of operation. Corporate Governance is considered as, to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, customers and society in general.

**2. BOARD OF DIRECTORS**

The Board of Apt Packaging Limited consisted of two executive / promoter's group director (one after 30.06.2013), one non executive / promoter's group director, and two non executive / independent directors, who are acknowledged as leading professionals in their respective fields.

The constitution of Board in the year under consideration is as under:

Director	Executive/Non-Executive/ Independent*	No. of other Directorship#	Membership Committees/ Chairmanship
Shri Arvind Machhar Managing Director	Executive	Five	2/0
Shri Sandeep Machhar Director	Non-executive**	Six	NIL
Shri Gheverchand Bothara Director	Non-executive Independent	Two	3/2
Shri Balaprasad Tapdiya Director	Non-executive Independent	Four	3/1

\* Mr. Nawnit Machhar resigned from directorship on 30<sup>th</sup> June, 2013.

None of the Director holds Directorship in more than 15 companies, Membership in Committees of Board in more than 10 Companies and Chairmanship of Committees of Board in more than 5 Committees.

Attendance of Directors at Board Meeting and Annual General Meeting

The Board of Company met five times during the last financial year, on the following dates:

- (1) 31<sup>st</sup> May 2013 (2) 6<sup>th</sup> July, 2013 (3) 10<sup>th</sup> August, 2013 (4) 13<sup>th</sup> November, 2013 (5) 8<sup>th</sup> February, 2014

The attendance at the Board Meetings and previous Annual General Meeting as under:

Name of Director	Attendance	
	Board Meeting	AGM / EGM
Shri Arvind Machhar	5	2
Shri Nawnit Machhar	0	0
Shri Sandeep Machhar	4	1
Shri G. M. Bothara	5	2
Shri B.H. Tapdiya	5	2

**3. AUDIT COMMITTEE**

During the financial year 2013-14, five meetings were held on the following dates:

(1) 31<sup>st</sup> May 2013 (2) 6<sup>th</sup> July, 2013 (3) 10<sup>th</sup> August, 2013 (4) 13<sup>th</sup> November, 2013 (5) 8<sup>th</sup> February, 2014.

The Constitution of the committee and the attendance of each member of the Committee are given

Name	Designation	Executive/Non-executive/ Independent	Professional	Committee Meetings Attended
Shri. G.M. Bothara*	Chairman	Non-executive/Independent	Consultant	Five
Shri B. H. Tapdiya*	Member	Non-executive/Independent	Consultant	Five
Shri Arvind Machhar	Member	Non-executive	Industrialist	Five

General Manager (F&A) of the Company is the secretary of the committee.

\* Possesses expert knowledge in finance, accounts and taxation.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 10<sup>th</sup> August, 2013.

The minutes of the Audit Committee were circulated to the Board, discussed and noted.

The terms of reference of the Audit Committee inter-alia include the following:

- To hold periodic discussion with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the company, internal control system, scope of audit and observations of the Auditors/Internal Auditors;
- To review compliances with internal control system;
- To review quarterly, half yearly and annual financial results of the Company before submission to the Board;
- To investigate into any matter in relation to item specified in section 292A of the Companies Act, 1956, or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the company and also seek external profession advice if necessary;
- To make recommendations to the Board in relation to appointment and terms of Statutory Auditors and Internal Auditors
- To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.

**4. REMUNERATION COMMITTEE (Non-Mandatory Committee)**

The Board of Directors formed the Remuneration Committee, which consists of the following directors:

Name	Designation	Executive/Non-Executive/Independent
Shri G. M. Bothara	Chairman	Non-executive Independent
Shri B. H. Tapdiya	Member	Non-executive Independent

General Manager (F&A) of the Company is the secretary of the committee.

During the financial year 2013-2014, one meeting was held on 1<sup>st</sup> July, 2013 which was attended by Shri G.M.Bothara and Shri. B. H. Tapdiya as the members of the committee.

Details of remuneration paid/payable to directors for the year ended March 31, 2014 are as follows:

Director	Relation-ship with other directors	Business relation-ship with APL	Loans and advances from APL	Sitting fees* Rs.	Salary and Perquisites Rs.	Commissi on Rs.	Total
Shri Arvind Machhar	Related to Shri Sandeep Machhar	Promoter	NIL	Nil	20,09,826	Nil	20,09,826
Shri Nawnit Machhar	Related to Shri Arvind Machhar	Promoter	NIL	NIL	1,67,340	Nil	1,67,340
Shri Sandeep Machhar	Related to Shri Arvind Machhar	Promoter	Nil	4,000	Nil	Nil	4,000
Shri G.M. Bothara	None	Professional	Nil	10,000	Nil	Nil	10,000
Shri B.H. Tapdiya	None	Professional	Nil	10,000	Nil	Nil	10,000

**5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE (Mandatory Committee)**

The Board has constituted an Investors Grievances Committee which looks into shareholders and investors grievances. The following are the members of the committee:

Name	Designation	Executive/Non-Executive/Independent
Shri B. H. Tapdiya	Chairman	Non-Executive Independent
Shri Arvind Machhar	Member	Executive
Shri. G. M. Bothara	Member	Non Executive Independent

General Manager (F&A) of the Company is the secretary of the committee.

The minutes of the Shareholders'/Investors' Grievance Committee Meeting were circulated to the Board, discussed and taken note of Secretary to the Committee is also the looking after day to day working related to transfer of shares, correspondence with the shareholders, SEBI, exchanges, etc.

The said committee administered the following activities:

- To look into and supervise the redress of shareholders/investors complaints like Transfer of shares, Transmission of shares, Issue of Duplicate Share Certificates, Change of Address, Change of Status, Change of Name Transposition of shares, copy of balance sheet etc.
- To consider and approve transfer of shares, dematerialization of shares deletion of name, splitting and consolidation of shares etc.
- To delegate any of its responsibilities to any officer of the company or to the Registrars and transfer Agents and to supervise the proper exercise of delegated powers.

During the financial year 2013-2014 one meeting was held on 1<sup>st</sup> July, 2013 which was attended by all the members of the committee.

**6. GENERAL BODY MEETING**

The locations and time of the Annual General Meeting / Extraordinary General Meeting held during the last 3 years are as follows:

Annual General Meeting	Date	Time	Venue	No. of Special Resolutions passed
Thirty First	30/09/2011	11.30 am	J-18, MIDC, Chikalthana, Aurangabad – 431 006	Two
Thirty Two	29/09/2012	11.30 am	J-18, MIDC, Chikalthana, Aurangabad – 431 006	Two
Thirty Third	10.08.2013	11.30 am	J-18, MIDC, Chikalthana, Aurangabad – 431 006	One
Extraordinary General Meeting	08.02.2014	11.00 am	Extraordinary General Meeting	Two





- k) **Dematerialization of shares and liquidity:**  
The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that any delivery in the Company's shares against stock exchange trades became compulsory in demat format. As on 31/03/2014, 1,04,219 equity shares (3.78% of the total number of shares) have been dematerialized. The new shares in the dematerialized form are yet to be issued after allotment of new ISIN number by CDSL which is pending for the receipt of in principal approval from BSE.
- l) **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity :** NIL
- m) **Plant Locations:** The Companies plant for co extruded tube is located at Gut No. 72, Village Pharola, Tq. – Paithan, Dist. – Aurangabad (MS)– 431105 & Khasra No 529, 5<sup>th</sup> KM stone, Akabarpur Urd, Laksar Haridwar Road, Laksar, Dist Haridwar, (UTTARAKHAND)
- n) **Address for correspondence:**  
M/s Apt Packaging Limited  
J-18, MIDC Area, Chikalthana, Dist. – Aurangabad – 431 006 (MS)  
Tel No.: 0240-6642000/ 638 Fax. : 0240-6642011  
Email ID : [deepakhandelwal@aptpackaging.in](mailto:deepakhandelwal@aptpackaging.in) Website : [www.aptpackaging.com](http://www.aptpackaging.com)
- o) Exclusive e-mail ID for redresses of investors complaints Email ID : [investors@aptpackaging.in](mailto:investors@aptpackaging.in)

**11. MANAGEMENT DISCUSSION & ANALYSIS REPORT****INDUSTRIES STRUCTURE AND DEVELOPMENT**

In developed countries the Co-extruded tubes manufactured by the company are used by the cosmetic industry for packaging of their cosmetic products but in the developing countries such as ours the cosmetics were packed in the laminated tubes. The trends are now changing and the cosmetic industry is shifting from laminated tube packaging to co extruded seamless tube packaging. There is increasing demand of the product in the overseas/foreign markets. The demand in domestic/national as well as in export/International markets is expected to increase. The increased buying capacity of the middle income group in India has also increased the demand of the product.

**OUTLOOK**

Initially the base of the Indian cosmetic industry was low but yet it was growing with the average annual growth of 12% since 1998 and now the base is reach to a reasonable level. The company has put up a new unit at Uttarakhand and capacities at both the plant are increased. The efforts of our marketing team domestic and overseas are expected to result in higher turnover.

A The SWOT analysis of the market show encouraging trends. Huge potential is available in the Indian as well export market for our products. The market is unlimited for our products and we are poised to penetrate the market with the enhanced capacities.

However the increasing trend in foreign currency rates, lower demand due to less GDP growth rates domestic & overseas, increased competition, increase in operational costs, higher interest and manpower costs are the concern for the industry and company.

**STRENGTHS:**

Experienced and dedicated production team.  
Established existing customer base.  
Fiscal/Non fiscal benefits of Haridwar unit in notified area.  
Proximity to customers for Haridwar Unit and proximity to port for Aurangabad Unit.

**WEAKNESS:**

The company has declared as sick unit by Hon'ble BIFR.  
Exports / imports are related to currency rate fluctuations.  
For exports party is dependent on only few customers.

**OPPORTUNITIES:**

Growing market due to change in consumer behavior.  
Attraction of quality packaging encouraging packaging industry.  
Opportunity to penetrate in North India market.

**THREATS:**

Unhealthy Competition from un-organized sector.  
Possibility of competition in notified area.

**Auditors' Certificate on clause 49 Compliance**

The member's of Apt Packaging Limited (Formerly Known as Anil Chemicals and Industries Limited)

We have reviewed the records concerning the company's compliance of condition of corporate Governance as stipulated in clause 49 of the Listing Agreement entered in to, by the company with the Stock Exchange of India for the financial year ended on 31<sup>st</sup> March 2014.


The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on test basis of the relevant records and documents maintained by the Company and Company Secretary's Compliance Certificate furnished to us and according to information and explanations given to us by the Company.

Based on such review in our opinion the company has complied with the conditions of Corporate Governance *except not having whole time company secretary and remuneration committee constitute of two independent directors instead of three, as stipulated in clause 49 of the said Listing Agreement.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with the management has conducted the affairs of the Company.

**For Rathi & Bangad  
Chartered Accountants  
[ Firm Reg. No. 108702W ]**

  
**Dilip D. Jain  
Proprietor  
M. No. 044301**

**Date: 30 / 05 / 2014  
Place: Aurangabad**

## Independent Auditors' Report

**To the Member of APT Packaging Limited (Formerly known as Anil Chemical and Industries Limited)  
Report on the Financial Statements**

We have audited accompanying financial statements of **APT Packaging Limited ('the Company')**, which comprise the Balance Sheet as at **31<sup>st</sup> March 2014**, the Statement of Profit & Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

**Management' Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with Accounting Standard referred to in-sub section (3C) of section 211 of the Companies Act, 1956('the Act') read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; General Circular 08/2014 dated 4<sup>th</sup> April, 2013 of the Ministry of Corporate Affairs the financial statement, auditor's report and board reports are prepared and presented according to the relevant provisions / schedules / rules of the Companies Act 1956 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountant of India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting policies used and the reasonableness of the accounting estimate made by management, 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**

- 1) The accounts of the Company for the year have been prepared on a 'Going Concern' basis, as the Company has once again declared as a Sick Company by The Board for Industrial and Financial Reconstruction (BIFR) as per hearing held on 01 10-2013 vide their order dated 20 / 11 / 2013. The "PNB" has been appointed as the 'Operating Agency' [OA] by the BIFR. According to information and explanation given to us the company is in the process of preparing the draft rehabilitation scheme which is to be submitted before the BIFR and OA
- 2) The outstanding balances of debtors, creditors, loans and advances including inter corporate deposit (taken and given), balance with statutory/fiscal liabilities (Assets & Liabilities) i.e. Excise & Service tax deposits/balances subject to confirmations, reconciliation and consequent adjustment, if any. (Refer Note No.37 )
- 3) There is certain unimplemented portion of sanction scheme (SS07) to be implemented specifically recovery of special capital incentives and interest thereon by Government of Maharashtra, extension of sales tax deferral period for further eight years and past & future interest on the sales tax deferral dues of the resulting company Machhar Industries Ltd. while discharging the company as SICK Industrial company which was declared as a SICK Company on 17.12.2002 by the Hon'ble BIFR vide its order dated 16.06.2011 and accordingly, while preparing and presenting the financial statements for the year under consideration the company has followed the order of BIFR. (Refer Note No 34)
- 4) In our opinion subject to stated above and to the best of our information and according to the explanations give to us, the aforesaid financial statements give the information required the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
  - a) In the case of Balance Sheet, of the state of affairs of the company as at March 31, 2014;
  - b) In the case of the Statement of Profit and Loss, of the **Loss** for the year ended on that date; and
  - c) In the case of the 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, 2003('the Order') as amended, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of test checks of the books and the records of the company and according to the information and explanations given to us, we annexed hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to above, we report that:
  - a) Subject to what is stated at point no.2 in section 'Opinion', we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by Law have been kept by the company as so far as appears from our examination of those books;
  - c) The Balance Sheet and Statement of Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, Balance Sheet, the statement of Profit & Loss Account and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; General Circular 08/2014 dated 4th April, 2013 of the Ministry of Corporate Affairs the financial statement;
  - e) On the basis of the written representations received from the Directors, taken on record by the Board of Directors, and according to the information and explanations given to us, none of the directors is disqualified as on 31<sup>st</sup> March 2014 from being appointed as a Director under section 274(1) (g) of the Companies Act, 1956.

For **Rathi & Bangad**  
Chartered Accountants  
[ Firm Reg. No. 108702W ]

Date: 30 / 05 / 2014  
Place: Aurangabad

*Dilip D. Jain*  
Proprietor  
M. No. 044301

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Statement referred to in paragraph 4 & 5 of the Auditor's Report of even date to the member of APT PACKAGING LIMITED ("the Company") on the financial statements for the year ended 31<sup>st</sup> March, 2014.

- 1) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) Some of the fixed assets are physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
c) Fixed Assets are disposed off by the company during the year do not form substantial part thereof.
- 2) a) As informed to us, the stock of finished goods, work-in-process and raw materials at all the units of the Company have been physically verified by the Management once in a year except for the goods lying with the third parties. In our opinion it should be conducted at least twice in a year.  
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of Company and the nature of its business.  
c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- 3) a) The Company has taken loans from two directors, one ex-director, six shareholders, three relatives of the director, three promoters Group Company and Resulting Company covered in the register maintained under Section 301 of the Companies Act, 1956 to meet the short fall of Sanctioned Scheme and as per banker's clause. The maximum amount involved during the year is Rs. 1203.10 Lacs including Opening Balance of Rs. 1084.13 Lacs and the yearend balance of loans taken from such parties was Rs. 947.98 Lacs.  
b) According to the information and explanation given to us, out of the above, loan amount of Rs. 68.20 Lacs is Interest free and balance Rs. 879.78 Lacs is interest bearing. For interest bearing unsecured loans the interest is provided. The terms and conditions of these loans are not prejudicial to the interests of the company. The company is regular in repaying the loan amount and interest whenever applicable and as stipulated.  
c) The company has not given loans to any firms covered in the register maintained under section 301 of the companies Act, 1956.
- 4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- 5) a) According to the information and explanation given to us, we are of the opinion that the transaction that needs to be entered in to the register maintained u/s 301 of the Companies Act, 1956 have been so entered.  
b) In our opinion and according to the information and explanation given to us, there are transactions exceeding Rs.5 Lacs each which have been made at prices, which are reasonable having regard to the prevailing market prices, for such goods materials or services at the relevant time.
- 6) The Company has not accepted any deposits from the public within the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
- 7) A In our opinion, the company has an adequate Internal Audit system commensurate with its size and the nature of its business.
- 8) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts have been made and maintained.
- 9) a) According to the records of the company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including P.F., customs, excise duty, income tax, sales tax, investors education and protection fund, Service Tax, Custom Duty Cess and other material statutory dues applicable except Rs.4.68 lacs.  
The statements of Arrears of Statutory dues outstanding for more than six months are as follows:

TYPE OF TAXES	AMOUNT IN LACS
Property Tax	3.92
Sales Tax	0.77

- b) As at 31<sup>st</sup> March 2014 according to the records of the company, the following are the particulars of disputed dues on Account on Sales Tax have not been deposited:

Name of Statute	Disputed Liability Rs. In Lacs	Forum where dispute is pending
Sales Tax Govt. of Maharashtra	4.75	Sales Tax Authority, Aurangabad / Haridwar.
Property Tax	1.35	Municipal Corporation Authority, Aurangabad.
Income Tax – Carried Forward Unabsorbed Depreciation of Rs. 1354.42 Lacs.	0.00 (Being Loss Return)	Commissioner of Income Tax Appeals, Aurangabad.

- 10) The company has accumulated losses exceeding its net worth as on March 31, 2014. The Company has not incurred any cash losses during the financial year covered by our audit considering exceptional items profit at Rs. 177.66 Lacs and there was a cash loss in the financial year immediately preceding current financial year amounting to Rs.196.36 Lacs.
- 11) Based on our audit procedures and on the information and explanations given by the management, the company has delayed repayment of loans to banks in respect of term loans. The following are the details of the delays.

Particulars	Amount in Lacs	Period of Delays
Term loans upto Dec.2013 (Incl. Interest of Rs. 53.65 Lacs)	172.18	Up to 120 days. Paid on or before 31-03-2014.
Term loans upto Mar.2014 (Incl. Interest of Rs. 39.97 Lacs)	117.30	13.11 Lacs 90 days 104.19 Lacs Not paid till 31-03-2014.

As at the year end, out of the above delays, term loan amounting to Rs. 172.18 Lacs have been rectified and hence no delays exist to that extent, whereas Rs. 104.19 Lacs still unpaid accordingly delay exist as at March 31, 2014.

- 12) According to the information and explanations given to us and records of the company, the company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and securities. According to the provisions of clause 4(xii) of the Companies (Auditors Report) order, 2003 the same are not applicable to the Company.
- 13) In our opinion, the company is not a Chit Fund or a Nidhi / Mutual benefit fund/Society. Accordingly, the provisions of clause 4 (xiii) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other instruments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
- 15) In accordance with the sanctioned scheme of Demerger and the order of Honorable BIFR, for resulting company, the company has given Guarantees to banks and other creditors for their respective outstanding balances as on cut off date i.e. 01.04.2007 in case if the resulting company fails to pay or shortfall to pay the same. As this is stipulated as per the Sanctioned Scheme ordered by the BIFR, the same is not treated as prejudicial to the interest of the company. According to information and explanations given to us by the management there is outstanding balance of Rs. 399.36 lacs as on 31.03.2014 on account of Sales tax deferral.
- 16) According to the records of the Company, information and explanation given to us, the company has obtained term loans during the year under audit and the same were applied for the purpose for which they are raised except Rs.12.16 Lacs kept in cash credit account with lien mark at Punjab National Bank.
- 17) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we are of the opinion that the Company has used funds to the extent of Rs. 33.77 Lacs raised on short-term basis has been utilized for the repayment of long-term loan (Term Loan) except permanent working capital.
- 18) During the year, the company has not made any allotment of shares, hence the provisions of clause 4(xviii) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
- 19) According to the records of the Company, the company has not issued any debentures as per the provisions under clause 4(xix) of the Companies (Auditors Report) order, 2003.
- 20) The company has not raised any money by Public-issues during the period covered by our Audit report as per the provisions under clause 4(xx) of the Companies (Auditors Report) order, 2003.
- 21) During the course of our examination of the books 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 instances of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

**For Rathi & Bangad**  
**Chartered Accountants**  
**[ Firm Reg. No. 108702W ]**



**Dilip D. Jain**  
**Proprietor**  
**M. No. 044301**

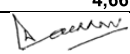
**Date: 30 / 05 / 2014**  
**Place: Aurangabad**

APT PACKAGING LIMITED  
BALANCE SHEET AS AT 31ST MARCH'2014

		Rs. In Lacs		
		NOTE	AS AT 31.03.14	AS AT 31.03.13
<b>I. EQUITY AND LIABILITIES</b>		-		
<b>1) SHAREHOLDER'S FUNDS</b>				
	a) Share Capital	3	580.40	580.40
	b) Reserves and surplus	4	-1,098.54	-930.78
			<b>-518.14</b>	<b>-350.38</b>
<b>2) NON-CURRENT LIABILITIES</b>				
	a) Long Term Borrowings	5	2,752.70	2,989.89
	b) Deferred Tax Liabilities	6	0.00	0.00
	c) Long Term Provision	7	63.52	53.96
			<b>2,816.22</b>	<b>3,043.85</b>
<b>3) CURRENT LIABILITIES</b>		-		
	a) Short Term Borrowings	8	890.85	815.57
	b) Trade Payables	9	487.60	567.13
	c) Other Current Liabilities	10	580.07	568.95
	d) Short Term Provision	11	21.33	15.99
			<b>1,979.85</b>	<b>1,967.63</b>
<b>TOTAL</b>			<b>4,277.93</b>	<b>4,661.10</b>
<b>II ASSETS</b>				
<b>1 NON-CURRENT ASSETS</b>				
	(a) Fixed Assets	12		
	i) Tangible Assets		3,184.20	3,464.54
	b) Non-Current Investments	13	3.09	3.09
	c) Long Term Loans and Advances	--	0.00	0.00
	d) Other Non-Current Assets	14	7.27	24.49
			<b>3,194.56</b>	<b>3,492.12</b>
<b>2 CURRENT ASSETS</b>				
	a) Inventories	15	267.45	368.08
	b) Trade Receivables	16	602.23	565.96
	c) Cash and Cash Equivalents	17	40.06	65.72
	d) Short Term Loans and advances	18	35.00	21.79
	e) Other Current Assets	19	138.62	147.44
			<b>1,083.37</b>	<b>1,168.99</b>
<b>TOTAL</b>			<b>4,277.93</b>	<b>4,661.11</b>

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD  
FIRM REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS

DILIP JAIN – PROPRIETOR –M. NO. 044301  
PLACE – AURANGABAD  
DATE – 30.05.2014

  
ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843

  
SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892

  
DEEPAK KHANDELWAL  
GENERAL MANAGER (F&A)

## APT PACKAGING LIMITED


## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

		Rs. In Lacs		
		NOTE	AS AT 31.03.14	AS AT 31.03.13
<b>I</b>	<b>REVENUE</b>			
	Revenue from Operations	20	2,817.20	3,099.66
	Other Income	21	62.74	10.12
	<b>TOTAL REVENUE</b>		<b>2,879.94</b>	<b>3,109.78</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	22	1,100.63	1,406.19
	Changes in Inventories of Finished Goods and Work-in-Progress	23	27.80	-6.60
	Employee Benefits Expenses	24	381.83	381.35
	Finance Cost	25	460.65	437.54
	Depreciation and Amortisation Expenses	26	274.91	309.13
	Other Expenses	27	978.96	1,083.71
	<b>TOTAL EXPENSES</b>		<b>3,224.78</b>	<b>3,611.32</b>
<b>III</b>	<b>Profit / (Loss) Before Exceptional &amp; Extraordinary Items and Tax</b>		<b>(344.85)</b>	<b>(501.54)</b>
	Prior Period Income/(Expenses)	28	(0.58)	(3.97)
<b>IV</b>	<b>Exceptional Items</b>	29	177.66	0.02
<b>V</b>	<b>Profit / (Loss) Before Tax</b>		<b>(167.76)</b>	<b>(505.48)</b>
<b>VI</b>	<b>Tax Expenses</b>		-	-
<b>VII</b>	<b>Profit / (Loss) After Tax for the Year</b>		<b>(167.76)</b>	<b>(505.48)</b>
<b>VIII</b>	<b>Earning Per Share:</b>			
	Par Value per Share Rs.10/-			
	a) Basic		-3.19	-9.60
	b) Diluted		-3.19	-9.60

Refer Accompanying Notes to Financial Statements

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD  
FIRM REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS

DILIP JAIN  
PROPRIETOR  
M.NO. 044301  
PLACE : AURANGABAD  
DATE: 30.05.2014

  
ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843

  
SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892

  
DEEPAK KHANDELWAL  
GENERAL MANAGER (F&A)

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS****1 HISTORY:**

Apt Packaging limited established in 1980 (earlier known as Anil Chemicals and Industries Limited till 19.06.2008) engaged in manufacturing of co extruded plastic tubes used for packaging. The facility was set up in the Aurangabad, Maharashtra in the year 1996 and a new unit has been put up in the state of Uttarakhand in the year 2010. The new unit is eligible for various incentives of excise, income tax and other for a period of 10 years. The chemical division of the Company was de merged into a new Company in the year 2008. The Company has been registered as a sick Company by Board for Industrial and Financial Reconstruction, New Delhi vide order dated 21.11.2013

**2 SIGNIFICANT ACCOUNTING POLICIES:****a) General:**

The Financial statements are prepared on historical cost basis in accordance with applicable accounting standards and on the accounting principle of going concern. Income and expenses to the extent considered receivable or payable are accounted for on mercantile basis.

**b) Fixed Assets, Depreciation, Amortization and impairment:**

i) Fixed Assets are stated at cost of acquisition net of Cenvat, inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. As per the practice and on the basis of technical evaluation report expenses incurred on trial runs, know-how, development, modernization, de-bottlenecking of plant and equipment and adjustment arising from exchange rate variation relating to borrowings attributable to the fixed assets, are capitalized.

ii) Depreciation is provided for in the accounts on straight line method at the rates computed in accordance with Schedule XIV of the Companies Act, 1956 except for certain asset as on 1st April, 1994 for which specified period has been recomputed as per the revised rates in Schedule XIV and operational charge calculated by allocating the u -amortized value over the remaining part of the recomputed specified period.

iii) Depreciation on addition is being provided on pro-rata basis from the following month of such additions.

iv) Depreciation on assets sold, discarded or demolish during the year is being provided at their rates up to the month in which such assets are sold, discarded or demolished.

v) Normal depreciation is provided on addition on account of exchange variation of foreign currency loans in the following years.

vi) Rates of depreciation for plant and machinery of the co-extruded tube division is considered as continuous process plant @5.28%.

vii) The depreciation has been charged on block of assets instead of individual assets in respect of assets owned by the company up to 01-04-1991 in absence of sufficient details.

viii) Premium on leasehold land has been amortized (written off) proportionately over the period of lease. .

ix) The fixed assets specifically Land, Building and Plant & Machinery of the company have been valued from the approved valuer at a reasonable interval in order to comply with the requirement of AS-28. Impairment aspect of Fixed Assets for other assets, they are stated at residual value.

x) Software purchased (intangible assets) for computers are debited to profit & loss account under the sub head miscellaneous expenditure in the year of purchase.

**c) Foreign Currency Transactions**

a) The transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currency at year-end are translated at rates prevailing on the last day of the Financial Year.

b) Foreign Currency Loans for acquisition of fixed assets are converted at the rate prevailing on the date of Balance Sheet. The fluctuation is adjusted in the cost of fixed assets.

**d) Investments:**

Investments are stated at cost and appropriate diminution except temporarily nature in the value of quoted investment is being provided for.

**e) Inventories:**

i. Inventories are valued at lower of cost and net realizable value except packing material, stores & spares, semi finished goods and work in progress which are valued at cost.

ii. Cost is computed on the basis of FIFO. In case of finished Goods and goods in process, cost includes material cost (at year end), labor and overhead expenses inclusive of depreciation.

iii. Inventory verified, valued and certified by management.

**f) Sales and Income Recognition**

i. Sales are stated and recognized on dispatches at Gross value i.e. inclusive of all taxes and freight charged to customers.

ii. Gross sales includes inter unit sale of finished and semi-finished goods. Inter unit transfers of raw materials, consumables, stores and spares are transferred at cost and not included in sales.

iii. Traded Goods (Inclusive of Transportation thereon) accounted on dispatch to customer basis on gross value and grouped under sales

iv. Dividend and interest on investment are accounted for as and when right to receive basis accrued in favour of company.

**g) Cen vat (Mod vat):**

Cen vat (Mod vat) Credit availed on fixed assets is adjusted to the cost of the asset. Other Cen vat (Mod vat) Credit availed is set off with the purchase cost. Cen vat of Service Tax availed is set-off with the respective services. Unutilized balance is shown under the head "Other Current Assets."

**h) Retirement Benefits:**

i. Contribution to the Provident Fund is made monthly as per the provisions of the Provident Fund Act.

ii. The provision of Gratuity for employees and Directors are recognized and accounted for on the basis of Actuarial Valuation made by authorized assessor.

iii. Leave encashment is determined on the basis of leave rules of the company and accounted on accrued basis.

**i) Government Grants:**

Grants in nature of project capital subsidy are credited to capital reserve.

**j) Misc. Expenditures:**

Misc. preliminary and preoperative expenses are written off over a period of five years.

**k) Prior period items etc.**

Prior period expenses/income, non-recurring and extra-ordinary items having material impact disclosed in financial statement separately.



**l) Contingent Liability:**

Contingent Liabilities are disclosed by way of the Notes to the Accounts. Disputed demands in respect of Central Excise, Customs, Income Tax, Sales Tax and other claims are disclosed as contingent liabilities. Payment in respect of such demands, if any, is shown as an advance, till the final outcome of the matter and payment debited to respective head of expenses in the year of payment made, as the case may be.

**m) Taxes on Income:**

Deferred tax is recognized on timing difference between the accounting income and taxable income for the year that originates in one period and is capable of reversal in one or more subsequent period. Such deferred tax is quantified using the tax rate and laws enacted or substantively enacted as on the Balance sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**n) Borrowing Costs:**

In case of period of construction / installation of the qualifying fixed assets is which takes more than a year, borrowing costs that are directly attributable to the acquisition / construction of the are capitalized as part of respective asset, up to the date of acquisition / completion of construction. Other borrowing costs are recognized as expenses in the period in which they are incurred.

Rs. In Lacs

<b>NOTE NO.3: SHARE CAPITAL</b>	<b>AS AT 31.03.14</b>	<b>AS AT 31.03.13</b>
<b>AUTHORISED:</b> 1,00,00,000 Equity Shares of Rs.10 each	<b>1,000.00</b>	1,000.00
<b>ISSUED:</b> 60,36,417 (60,36,417) Equity shares of Rs.10/- each	<b>603.64</b>	603.64
<b>PAID UP:</b> *52,63,467 (52,63,467) Equity Shares of Rs.10/- each fully paid up.	<b>526.35</b>	<b>526.35</b>
Add: Forfeited Shares 736248 (736248) Equity Shares of Rs. 10 each	<b>54.06</b>	<b>54.06</b>
	<b>580.40</b>	580.40

**RECONCILIATION OF SHARE CAPITAL**

<b>Equity Shares</b>	<b>AS AT 31.03.14</b>		<b>AS AT 31.03.13</b>	
	<b>No of Shares</b>	<b>Amount</b>	<b>No of Shares</b>	<b>Amount</b>
At the beginning of the period	5263467	526.35	5263467	526.35
Fresh issue of shares during the period	0	0.00	0	0.00
Outstanding at the end of the period	5263467	526.35	5263467	526.35

**Disclosure:**

- 1) The Company has only one class of equity shares having a par value of ` 10/- per share. Each equity share carries one vote and is entitled to dividend that may be declared by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting.
- 2) Issue of share certificates for 2680 shares are pending for exchange for amalgamation.
- 3) Details of Shareholders holding more than 5% Shares in the company

<b>Name</b>	<b>2013-2014</b>		<b>2012-2013</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Mr.Arvind Machhar	765508	14.54	765508	14.54
Race Course Capital Market Pvt Ltd	597500	11.35	597500	11.35
Mrs.Sunita Machhar	354100	6.73	354100	6.73
Mrs.Dimpy Machhar	312400	5.94	312400	5.94
Mrs.Prema Machhar	310000	5.89	310000	5.89
Mr. Sunil Machhar	299714	5.69	299714	5.69

**NOTE NO.4: RESERVES AND SURPLUS**

	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>1) CAPITAL RESERVES:</b>		
Capital Reserve - As per last Balance Sheet	548.22	548.22
Capital Incentives (Subsidy) - As per last Balance Sheet	53.23	53.23
Profit on Reissue of forfeited shares - As per last Balance Sheet	3.36	3.36
<b>Total Capital Reserves</b>	<b>604.80</b>	<b>604.80</b>
<b>2) SECURITIES PREMIUM RESERVE - As per Last Balance Sheet</b>	<b>480.90</b>	<b>480.90</b>
<b>3) PROFIT AND LOSS ACCOUNT</b>		
Balance as per the last financial statements	-2,016.48	-1,510.99
Profit / (Loss) for the year	-167.76	-505.49
Net surplus /(Deficit) in the statement of Profit and Loss	-2,184.24	-2,016.48
	<b>-1,098.54</b>	<b>-930.78</b>

NOTE NO.5: LONG TERM BORROWINGS	Long Term Maturities		Current Maturities	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>SECURED LOANS</b>				
<b>1. TERM LOANS FROM BANKS:</b>				
a) Punjab National Bank Term Loan - I	0.00	0.00	0.00	51.04
b) Punjab National Bank Term Loan - II	73.70	136.01	83.55	33.42
c) Punjab National Bank Term Loan - III	103.76	168.12	84.30	33.72
d) Punjab National Bank Term Loan - IV	225.16	309.05	117.00	46.80
e) Punjab National Bank Term Loan - V	85.04	104.08	36.30	14.52
f) Punjab National Bank Term Loans - VI - FITL	58.10	26.64	65.50	26.82
<b>UNDER VEHICLE FINANCE SCHEME</b>				
g) State Bank of India "Vehicle Loan"	4.50	12.49	7.99	6.30
h) HDFC Bank Ltd. "Vehicle Loans"	0.00	1.73	1.73	2.60
i) Punjab National Bank. "Vehicle Loan"	0.00	0.00	0.00	0.45
<b>2. DEFERRED PAYMENT LIABILITIES</b>				
j) For acquisition of fixed assets - To Machine Supplier	0.00	0.00	20.71	33.82
k) For acquisition of fixed assets	83.79	114.15	72.61	52.85
<b>TOTAL SECURED LOANS</b>	<b>634.08</b>	<b>872.28</b>	<b>489.69</b>	<b>302.34</b>
<b>UNSECURED LOANS</b>				
<b>UNRELATED PARTY</b>				
l) Deferred Sales Tax liability	528.62	529.21	39.98	35.29
m) Inter Corporate Deposits	667.46	504.28	0.00	0.00
<b>RELATED PARTY</b>				
n) Directors	750.12	819.72	0.00	0.00
o) Promoters (Interest Free)	49.13	69.19	0.00	0.00
p) ICD from promoter group Company	123.30	195.22	0.00	0.00
<b>TOTAL UNSECURED</b>	<b>2118.63</b>	<b>2117.61</b>	<b>39.98</b>	<b>35.29</b>
	<b>2752.70</b>	<b>2989.89</b>	<b>529.67</b>	<b>337.63</b>

**Sr.No.Above**

- A Fully repaid during the year.
- B Primarily secured by hypothecation of one machine at Laksar unit of the company and is repayable in equated monthly installments, due upto March , 2016.
- C Primarily secured by hypothecation of some of the fixed assets at Laksar unit of the company and is repayable in equated monthly installments, due upto December, 2017.
- D Primarily secured by hypothecation of some of the machines at Laksar unit of the company and is repayable in equated monthly installment upto February, 2017.
- E Primarily secured by hypothecation of some of the machines at Laksar unit of the company and is repayable in equated monthly installments, due upto August 2016.
- F This constitute the interest on term loans referred in b, c, d, & e above funded by the bank on restructuring for the period from October 2012 to September 2013. This carries the interest rate depending upon the BPLR & base rate of the bank which presently works out to 16.25% p.a.  
All the five term loans from PNB as mentioned above as a, b, c, d & e are personally guaranteed by managing director and one director of the company. All of these are collaterally secured by all the fixed assets of the Company situated at Parole Chikalhana and Laksar plants. The loan as mentioned in a above carries interest at BPLR of the bank which is presently at 14% p.a. and other term loans as mentioned in b, c, d, e above carries the interest rate depending upon the BPLR & base rate of the bank which presently works out to 16.25% p.a. The term loans as mentioned in b, c, d & e were restructured during in the

	year 2013-2013 and accordingly moratorium in repayment of principal was granted for one year from October 2012 to September 2013 and interest on these term loans from October 2012 to September 2013 was also funded.
G	Secured by hypothecation of the vehicles acquired by utilising the said loan in the name of managing director of the company and is repayable in equated monthly installments, due upto October 2015, the loan carries the interest @ 7% p.a.
H	Secured by hypothecation of the vehicles acquired by utilising the said loans in the name of managing director of the company and was repayable in equated monthly installments, due upto October 2013, the loan carried the interest @ 9 to 11% p.a.
I	Secured by hypothecation of the vehicles acquired by utilising the said loans and is repayable in equated monthly installments, due upto August 2013, the loan carried the interest @ 16 % p.a.
J	Secured against the machine purchased from the machine supplier and is repayable immediately without any interest. The loan is in CHF currency.
K	Secured against machine & toolings purchased from machine supplier and is repayable in monthly installments up to the year May 2016 without any interest. The loan is in CHF currency.
L	This is as per incentive scheme of Government of Maharashtra for the co ex tube unit of the company situated at Pharola. The repayment of each year of the deferred sales tax amount is to be made in five equal installments in 11th to 15th year, without any interest till the respective due dates. Thereafter it carries interest @ 15% p.a.
M	Carry interest @ 9% to 15% p.a.
N	Carry interest @ 12% p.a..
O	Interest free.
P	Carry interest @ 9% p.a.

NOTE NO.6: DEFERRED TAX LIABILITY	31.03.2014	31.03.2013
a) The company is having carried forward losses as per books of accounts and also as per the Income tax 1961, which is equivalent or more than book loss.	----	----
b) In view of the carried forward losses / unabsorbed depreciation in respect of past years both as per books and as per income tax, the company may not have the taxable income in the near future and hence, cumulative net deferred tax assets after deducting deferred tax liabilities have not been recognized by the company on prudence basis in accordance with the AS-22 issued by the ICAI. Similarly, net deferred tax asset for the current year have also not been recognized on prudence basis.	----	----

NOTE NO.7: LONG TERM PROVISIONS	31.03.2014	31.03.2013
Provision for Employee benefit	-	
Provision for Gratuity (Non Funded)	40.50	32.56
Provision for Leave Encashment (Non-Funded)	23.02	21.40
	<b>63.52</b>	<b>53.96</b>

NOTE NO.8: SHORT TERM BORROWINGS	31.03.2014	31.03.2013
Cash credit, packing credit, post shipment and ILC acceptance (secured)	798.95	692.68
Foreign currency buyer's credit loan (unsecured)	91.90	122.89
	<b>890.85</b>	<b>815.57</b>

**Disclosure:**

Cash credit, packing credit and working capital demand loan from bank are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc and is further secured by a second charge on the fixed assets at Laksar, Pharola and Chikalthana. All the working capital limits from PNB as mentioned above are personally guaranteed by managing director and one director of the company. The cash credit, packing credit post shipment credit and inland letter of credit acceptance is repayable on demand and carries interest rates @ 10.75% to 15.75% p.a.

Outstanding foreign currency buyer's credit loans are unsecured and carry an interest rate ranging from libor plus 100 bps to libor plus 150 bps

NOTE NO.9: TRADE PAYABLES	31.03.2014	31.03.2013
Trade Payables for Materials and Services	487.60	567.13
	<b>487.60</b>	<b>567.13</b>

**Disclosure:**

The Company has not received any intimation from any of suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006". Therefore there are no dues to any creditors constituting "Suppliers" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006. The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status.

NOTE NO.10: OTHER CURRENT LIABILITIES	31.03.2014	31.03.2013
Advances from Customers	6.50	6.05
Creditors for capital goods	15.64	90.35
Advance against sale of capital goods	0.00	107.37
Interest Accrued but not due	0.00	0.05
Statutory liabilities	28.26	26.86
Sundry Deposits	0.00	0.64
Current Maturities of Long Term Debts	529.67	337.63
	<b>580.07</b>	<b>568.95</b>

NOTE NO.11: SHORT TERM PROVISIONS	31.03.2014	31.03.2013
Leave Travel Concession	8.38	4.93
Medical	6.89	4.48
Bonus	6.06	6.58
	<b>21.33</b>	<b>15.99</b>

## APT PACKAGING LIMITED

## Note 12 Fixed assets

	Tangible assets	Balance as at	Additions	Disposals	Effect of foreign currency exchange differences	Borrowings cost capitalized	Balance as at
		01/04/2013					31/03/2014
(a) Land							
Freehold		129.00	0.00	0.00	0.00	0.00	129.00
Leasehold *		0.86	0.00	0.22	0.00	0.00	0.63
(b) Buildings - own use		836.44	19.44	9.58	0.00	0.00	846.30
(c) Plant and Equipment - owned		5206.01	150.49	1013.55	44.27	0.00	4387.22
(d) Furniture and Fixtures - owned		55.04	0.40	0.00	0.00	0.00	55.44
(e) Vehicles - owned		91.14	0.00	5.74	0.00	0.00	85.40
(f) Office equipment - owned		36.17	0.92	0.00	0.00	0.00	37.08
(h) Others - Computers Owned		30.18	0.61	0.00	0.00	0.00	30.80
							0.00
Total		6384.83	171.86	1029.09	44.27	0.00	5571.87
Previous year		6030.02	358.84	2.71	-1.32	0.00	6384.83

- 1 There is NIL amount under the head acquisitions through business combinations, reclassified as held for sale, Revaluation increase, of  
2 Vehicles includes five vehicles having gross block Rs. 74.90 Lacs held in the name of the director(s).

NOTE NO.13 : NON CURRENT INVESTMENTS	31.03.2014	31.03.2013
Unquoted Investments		
1050 Shares of ` 10/- each fully paid up in Devgiri Nagri Sahakari Bank Ltd.	0.11	0.11
Aggregate Amount of Un quoted Investments	0.11	0.11
<b>Quoted equity investments - Others</b>		
(a) U.T.I. Master Shares - 846 Equity Shares of ` 5/- each fully paid-up	0.06	0.06
(b) U.T.I. Master Gain 300 Equity Shares of ` 10/- each fully paid-up	0.06	0.06
(c) Dhar Cements Limited - 183 Equity Shares of ` 10/- each fully paid-up	0.02	0.02

(d) Titan Industries Limited - 650 Equity Shares of ` 10/- each fully paid-up			0.03	0.03
(e) Nirup Synchrome Limited - 5000 Equity Shares of ` 10/- each fully paid-up			2.30	2.30
(f) Maharashtra Explosives Limited - 3550 Equity Shares of ` 10/- each fully paid-up			1.08	1.08
(g) Astra Zeneca Pharma India Limited - 100 Equity Shares of ` 10/- each fully paid-up			0.03	0.03
(h) Sanchay Finvest Limited - 5000 Equity Shares of ` 10/- each fully paid-up			0.75	0.75
Less Provision for diminution in value of Quoted Investments			-1.33	-1.33
Aggregate Amount of quoted Investments			2.98	2.98
			<b>3.09</b>	<b>3.09</b>
				Rs.
Disclosure: Market Value of Quoted Investments			Rs. 3.65	3.13
<b>NOTE NO.14: OTHER NON CURRENT ASSETS</b>			<b>31.03.2014</b>	<b>31.03.2013</b>
Advance to Suppliers for Capital goods			7.27	24.49
			<b>7.27</b>	<b>24.49</b>
<b>NOTE NO.15: INVENTORIES</b>			<b>31.03.2014</b>	<b>31.03.2013</b>
Valued at Lower of Cost and net realisable value except stated other wise. <b>(As certified by the Management)</b>				
Raw Material			144.30	174.35
Finished & Semi Finished goods			59.97	107.59
Work in Progress at cost			22.17	2.34
Packing Material at cost			7.38	8.22
Stores and Spares at cost			32.27	70.76
Scrap Materials of Discarded Spares & Stores - Relizable Value			1.36	0.00
Traded Goods			0.00	4.80
			<b>267.45</b>	<b>368.08</b>
<b>NOTE NO.16: TRADE RECEIVABLES</b>			<b>31.03.2014</b>	<b>31.03.2013</b>
Unsecured	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>602.23</b>	<b>565.96</b>
(a) Outstanding for more than six months - Considered Good	96.24	65.56		
(b) Other debts	510.40	504.81		
Less: Provision for doubtful debts	4.41	4.41		
			<b>602.23</b>	<b>565.96</b>
<b>NOTE NO.17: CASH AND CASH EQUIVALENT</b>			<b>31.03.2014</b>	<b>31.03.2013</b>
Cash on Hand			11.43	6.34
<b>Balances with Banks</b>				
In Current Account			1.29	28.28
In Fixed Deposits (Held with Scheduled Bank as Margin)			26.58	30.84
In EEFC Accounts			0.77	0.24
			<b>40.06</b>	<b>65.72</b>
<b>NOTE NO.18: SHORT TERM LOANS AND ADVANCES</b>			<b>31.03.2014</b>	<b>31.03.2013</b>
(Unsecured and considered good)				
Advance to Suppliers for Raw Material, Consumables & Services			29.33	19.06
Advances recoverable in cash or in kind or for value to be received			5.67	2.73
			<b>35.00</b>	<b>21.79</b>

<b>NOTE NO.19: OTHER CURRENT ASSETS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Pre-Paid expenses	3.02	2.86
TDS Receivables	7.08	8.64
VAT Receivables	83.69	96.99
RG-23-A, RG-23-C & Service Tax Unutilized Balance	13.10	11.08
Export Incentives Receivables	22.79	16.09
Deposits with electricity boards, telephone, PLA etc.	8.94	11.78
	<b>138.62</b>	<b>147.44</b>

<b>NOTE NO.20: REVENUE FROM OPERATIONS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Sale of Manufactured Goods - co-extruded tubes	2,802.44	3,060.84
Sale of Scrap	9.95	17.75
Sale of Traded Goods	4.80	21.07
	<b>2,817.20</b>	<b>3,099.66</b>

**Disclosure:**

Sales are stated at gross value inclusive of taxes and Freight. Sales includes inter unit transfer of finished and semi-finished goods amounting to Rs. 69.85 Lacs (Rs.94.12) Lacs.

<b>NOTE NO.21: OTHER INCOME</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Dividend on shares	0.14	0.15
Interest on Bank Time Deposit & Others	6.46	2.66
Rent Receipt	1.71	1.33
Credit Balances Written Back	21.87	0.43
Export Incentives	21.31	3.33
Miscellaneous Income	11.26	2.22
	<b>62.74</b>	<b>10.12</b>

<b>NOTE NO.22: COST OF MATERIALS CONSUMED</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>POLYETHYLENE</b>		
Opening Stocks	70.63	24.49
Add: Purchases	394.25	529.20
Less : Closing Stocks	51.49	70.63
<b>Consumption</b>	<b>413.38</b>	<b>483.06</b>
<b>POLYPROPLENE</b>		
Opening Stocks	16.03	15.47
Add: Purchases	204.56	238.26
Less : Closing Stocks	7.67	16.03
<b>Consumption</b>	<b>212.92</b>	<b>237.70</b>
<b>MASTER BATCHES</b>		
Opening Stocks	17.62	18.29
Add: Purchases	53.94	51.58
Less : Closing Stocks	16.28	17.62
<b>Consumption</b>	<b>55.28</b>	<b>52.25</b>
<b>LABELS</b>		
Opening Stocks	4.47	15.61

Add: Purchases	237.23	402.21
Less : Closing Stocks	3.67	4.47
<b>Consumption</b>	<b>238.04</b>	<b>413.35</b>
<b>TRADED GOODS</b>		
Opening Stocks	4.80	0.00
Add: Purchases	0.00	25.88
Less : Closing Stocks	0.00	4.80
<b>Consumption</b>	<b>4.80</b>	<b>21.08</b>
<b>INLAND BOUGHT OUT ITEMS</b>		
Opening Stocks	43.53	74.05
Add: Purchases	103.73	111.52
	<b>147.26</b>	<b>185.57</b>
Less : Closing Stocks	48.33	43.53
<b>Consumption</b>	<b>98.93</b>	<b>142.04</b>
<b>OTHER RAW MATERIALS</b>		
Opening Stocks	22.08	30.00
Add: Purchases	71.58	48.79
Less : Closing Stocks	16.38	22.08
<b>Consumption</b>	<b>77.28</b>	<b>56.71</b>
<b>Total Consumption</b>	<b>1,100.63</b>	<b>1,406.19</b>

**Disclosure**

The sale of inter unit raw materials of Rs. 37.63 Lacs (Rs. 28.07 Lacs) adjusted in cost of materials consumed.

<b>NOTE NO.23: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Opening Finished Goods	69.97	91.99
Closing Finished Goods	59.97	107.59
	<b>9.99</b>	<b>-15.60</b>
Opening Work-in-Progress	39.97	11.34
Closing Work-in-Progress	22.17	2.34
	<b>17.80</b>	<b>9.00</b>
<b>Net (Increase)/Decrease</b>	<b>27.80</b>	<b>-6.60</b>

<b>NOTE NO.24 : EMPLOYEE BENEFITS EXPENSES</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Salaries and Wages including Bonus	363.65	361.43
Contribution to P.F.	14.32	13.75
Employee welfare	3.86	6.17
	<b>381.83</b>	<b>381.35</b>

**Disclosure:**

The above Salaries and Wages include Directors Remuneration

<b>NOTE NO.25 : FINANCE COST</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Interest on Term Loan	172.55	159.42
Interest on Working Capitals including acceptances and buyer credits	95.69	106.41
Interest on other borrowings	170.67	136.58
Interest on delayed payment of Sales Tax Deferral	5.42	15.27
Bank Charges	14.45	17.60
Interest on delayed payment of TDS	1.87	2.26
	<b>460.65</b>	<b>437.54</b>

## Note 26 Depreciation on Fixed assets

Tangible assets	Accumulated depreciation and impairment					Net block		
	Balance as at	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Impairment losses recognised in statement of profit and loss - opening balance as on	Reversal of impairment losses recognised in Statement of Profit and Loss	Balance as at	Balance as at	Balance as at
	01/04/2013			01/04/2013		31/03/2014	31/03/2014	31/03/2013
(a) Land								
Freehold	0.00	0.00	0.00	0.00	0.00	0.00	129.00	129.00
Leasehold *	0.13	0.01	0.00	0.00	0.00	0.14	0.49	0.67
(b) Buildings - own use	258.63	36.54	8.95	0.00	0.00	286.21	560.09	577.81
(c) Plant and Equipment - owned	2411.38	226.02	797.13	134.09	0.00	1974.36	2412.86	2660.55
(d) Furniture and Fixtures - owned	37.57	1.74	0.00	0.03	0.00	39.35	16.09	17.43
(e) Vehicles - owned	27.42	8.43	1.41	0.69	0.00	35.13	50.27	63.03
(f) Office equipment - owned	21.77	1.39	0.00	0.00	0.00	23.16	13.92	14.39
(h) Others - Computers	28.53	0.79	0.00	0.00	0.00	29.32	1.48	1.66
<b>Total</b>	<b>2785.43</b>	<b>274.91</b>	<b>807.49</b>	<b>134.81</b>	<b>0.00</b>	<b>2387.67</b>	<b>3184.20</b>	<b>3464.54</b>
<b>Add capital work in progress</b>								0.00
<b>Previous year</b>	<b>2553.99</b>	<b>281.80</b>	<b>359.14</b>	<b>196.05</b>	<b>61.24</b>	<b>2611.47</b>	<b>3464.54</b>	

## Notes:

- 1) There is no amount under the head of eliminated on reclassification as held for sale and Loss and other adjustments
- 2) Depreciation have been charged on straight line method. Depreciation on additions and assets sold during the year has been charged proportionately
- 3) Premium paid on leasehold land written off proportionately.

NOTE NO.27 : OTHER EXPENSES	31.03.2014	31.03.2013
<b>A. MANUFACTURING EXPENSES</b>		
Stores & Spares consumed	110.37	89.64
Power & Fuel	162.62	194.29
Repairs to Machinery	28.45	35.09
Packing Material consumed	71.19	85.54
Job work expenses	7.00	25.63
Contract Production Wages	147.96	170.74
	<b>527.59</b>	<b>600.93</b>
<b>B. ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rates & Taxes	2.02	1.49
Rent	2.39	1.14
Insurance	7.09	4.96
<b>Payment to Statutory Auditors</b>		
Statutory Audit Fee	2.20	2.20
Quarterly Review fees	0.30	0.30
Reimbursement of expenses	0.33	0.12
Postage	4.11	2.95
Telephone	11.78	13.00
Vehicle running and Maintenance	24.27	18.64
Legal & Professional Charges	18.54	12.41
Travelling Expenses	38.21	28.97
Miscellaneous Expenditure	47.25	46.58
Debit Balance written off	9.33	0.00



Repairs to Building	10.56	2.52
Repair to other Assets	4.58	16.03
Security Expenses	15.29	14.14
Net Loss on Foreign Currency Transactions	12.75	12.90
	<b>211.01</b>	<b>178.35</b>
<b>C.SELLING AND DISTRIBUTION EXPENSES</b>		
Excise duty and sales tax / VAT	148.15	221.26
Sales Tax Assessment Dues	18.79	0.00
Transportation Expenses	68.72	68.69
Other Sales expenses & discounts	4.70	14.48
	<b>240.36</b>	<b>304.43</b>
	<b>978.96</b>	<b>1,083.71</b>

NOTE NO.28 PRIOR PERIOD ITEMS INCOME/EXPENSES	31.03.2014	31.03.2013
<b>INCOME</b>		
Other income of earlier years	0.81	1.36
	<b>0.81</b>	<b>1.36</b>
Short provisions made in earlier years		
Repairs & Maintainance	0.00	2.73
Others	1.39	2.59
	1.39	5.32
<b>INCOME/EXPENSES</b>	<b>-0.58</b>	<b>-3.97</b>

NOTE NO.29 EXTRA - ORDINARY ITEMS	31.03.2014	31.03.2013
<b>INCOME</b>		
Profit on sale of fixed assets (Net of loss of Rs. 3.44 Lacs)	177.66	0.02
<b>INCOME/EXPENSES</b>	<b>177.66</b>	<b>0.02</b>

**30. Segment Reporting:**

Broadly by all criteria the activities of the company falls in the segments as detailed below.

Criteria	Segment
Product base	1) Co-extruded Tube, 2) Traded Goods
Customer base	Domestic market/ overseas market
Geographical Area of Operation	Domestic market/ overseas market
Geographical area of assets location	Maharashtra, Uttarakhand

**A. Primary Segment: Business segment**

The operations of the company mainly fall within a single business segment i.e. Co extruded tube segment. The financial data for segment reporting as follows. The figures of traded goods being around 1% of total turnover, the same have not been disclosed separately.

**PRIMARTY Segment**

Sr NO	Particulars	Co-extruded Tube Division 31.03.2014	Co-extruded Tube Division 31.03.2013
	<b>Revenue</b>		
A	Sales	2,817.20	3060.84
B	Prift/Loss Before Dep and Interest	390.72	223.58
C	Interest Expense	460.65	419.94
D	Depreciation & Impairment	274.91	309.13
E	Extra Ordinary Items	177.66	0.00
F	<b>Net Profit/Loss</b>	<b>(167.76)</b>	<b>(505.49)</b>
	<b>Other Information</b>		
G	Segmental Assets	5,571.87	6384.83
H	Less Depreciation & Impairment	2,387.67	2920.29
I	<b>Net Assets</b>	<b>3,184.20</b>	<b>3,464.54</b>
J	Segmental Liabilities	1088.99	868.35

**B. Secondary Segment: Geographic Segment**

The geographic segment identified, as secondary segment are "Domestic Market" and "Export Market".

	PARTICULARS	TOTAL	Co-extruded Tube Division
A	DOMESTIC	2,136.72	2716.92
B	EXPORT	680.48	343.93
	<b>TOTAL</b>	<b>2,817.20</b>	<b>3,060.84</b>

**Note:**

A) The Company has common assets for producing goods for Domestic Market and Overseas Market. Hence, separate figure for assets/additions to fixed assets are not furnished.

**31. Related Party Disclosure:****Director's remuneration****Amount in Lacs**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
01.	Arvind Machhar	Managing Director	20.10	17.37
02.	Nawnit Machhar	Whole Time Director	1.67	7.31

**Salary to related persons:**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
1	Arpit Machhar	Son of MD	7.15	7.18
2	Nischint Machhar	Son of MD	6.78	6.55
3	Utsav Machhar	Son of MD Brother	3.88	--

**Payment of professional fees:**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
01.	Khandelwal Jain & Co.	Related Concern of Non Executive Independent Director	0.25	0.25

**Interest provided / paid on unsecured loans from related parties:**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
01.	Arvind Machhar	Managing Director	24.53	23.95
02.	Nawnit Machhar	Whole Time Director	29.65	20.22
03.	Sandeep Machhar	Director	38.72	29.07
04.	Utsav Logistic Private Limited	Promoters Group Company	3.26	1.14
05.	Race Course Capital Market Limited	Promoters Group Company	10.32	10.17

**Interest free unsecured loan taken:**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
01.	Arpit Machhar	Son of CMD	8.72	8.72
02.	Prabha Machhar	Wife of CMD	32.90	32.9
03.	Prema Machhar	Wife of Director		2.29
04.	Kiran Machhar	Wife of WTD's Brother	16.50	16.5
05.	Dimpi Machhar	Wife of Director	1.00	1.16
06.	Shital Machhar	Wife of Directors Brother	--	2.65
07.	Machhar Industries Limited	Promoters Group Company	4.07	4.07
08.	Machhar Packaging Services Private Limited	Promoters Group Company	--	0.66

**Interest bearing unsecured loan taken:**

Sr. No.	Name of the Party	Relationship	31.03.2014	31.03.2013
01.	Arvind Machhar	Managing Director	239.93	218.75
02.	Nawnit Machhar	Whole Time Director	156.78	293.38
03.	Sandeep Machhar	Director	337.33	307.58
04.	Race Course Capital Market Limited	Promoters Group Company	119.23	117.56
05.	Utsav Logistic Private Limited	Promoters Group Company	26.52	73.58

**32. Contingent Liabilities:**

- Claims not acknowledged as debts are on account of a suit filed against the company by M/s Food Fats and Fertilizers Ltd. on behalf of Apte Organic Chemicals Pvt. Ltd. in Mumbai High Court for the recovery of Rs.2.67 Lacs (Rs.2.67 Lacs). The company is contesting the same. The BIFR have ordered for repayment subject to withdrawal of suit.
- Guarantee given by the Company for sales tax deferment dues of the resulting Company Machhar Industries Limited as per the sanctioned scheme ordered by BIFR RS. 399.36 Lacs (Rs. 399.36 Lacs).
- Bonds executed by the company in favour of Commissioner, Central Excise and Customs, Government of India for import of capital goods under the Export Promotion Capital Goods Scheme of the Government of India for import of capital goods Rs. 779.99 Lacs (Rs. 747.74 Lacs). However the export obligations as per the foreign trade policy of Government of India have been completed and

- submissions for obtaining Export Obligations Discharge Certificates have been made by the Company to the office of Director General of Foreign Trade, Mumbai.
- In respect of demand raised by Sales Tax authority, Aurangabad for Rs.2.25 Lacs for Sales Tax amount and Rs. 2.22 Lacs for interest thereon for the FY 2006-2007.
  - In respect of notices issued by Sales Tax Authority, Hardwar with respect to various compliances for Rs. 0.28 Lacs (Rs. 1.61 Lacs)
  - In respect of Fiscal liabilities that may arise on account of non-observance of provisions of various fiscal statutes, Companies Act and other related laws and interest / other charges chargeable on demands raised and not paid if any, amount is not ascertainable.
  - Estimated amount of contract remaining to be executed net of advances on capital account and not provided for Rs. 4.34 Lacs (Rs. 73.31 Lacs).

33. In view of various High Courts judgments and on prudence basis, the management of the Company is of the view that the penal provisions of Rs. 200 per day for the returns of TDS / TCS filed beyond the prescribed date as per the provisions of Section 234E of the Income Tax Act, 1961 is neither provided nor disclosed in terms of amount separately.

34. Hon'ble BIFR while discharging the Company from Sick Industrial Companies Act (SICA) vide order dated 16.06.2011 has ordered to implement the unimplemented portion of the Sanctioned Scheme as yet by all concerned. The unimplemented portion of the Sanctioned Scheme is as under:

	31.03.2014	31.03.2013
Recovery of Special Capital Incentives and interest thereon by Government of Maharashtra	158.63	151.61
Past and future interest on the sales tax deferral dues of the resulting Company Machhar Industries Limited as mentioned in 6 b above	2780.15	2371.27
Sales Tax deferred from November, 2012 to March 2013 as the validity of eligibility certificate has expired on 31.10.2012 which has been extended by 8 years in the scheme	35.51	13.74

Rs in Lacs

#### 35. GOING CONCERN :

The Company has been once again declared as a "Sick Industrial Company" by BIFR vide its hearing dated 10th October, 2013 vide order dated 20th November 2013. BIFR has appointed Punjab National Bank as the operating agency.

The Company has approached to sole banker Punjab National Bank for re-schedulement of installments and concessions in rate of interest and bank charges. The Company is approaching to other governments for some reliefs. The Company is preparing Draft Rehabilitation Scheme for submission to OA & BIFR. "In view of above the accounts of the Period under review has been prepared on going concern basis".

#### 36. Directors Remunerations:

(Rs. in Lacs)

Particulars	C.M.D		W.T.D.		TOTAL	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
i. Salary	17.51	15.33	1.65	6.62	19.16	21.95
ii. Perquisites	2.50	1.95		0.60	2.50	2.55
iii. Leave Encashment	---	---	---	---	---	---
iv. Contribution to P.F.	0.09	0.09	.02	0.09	0.11	0.18
<b>TOTAL</b>	<b>20.10</b>	<b>17.37</b>	<b>1.67</b>	<b>7.31</b>	<b>21.77</b>	<b>24.68</b>

37. Certain statutory requirements and records are in the process of their compilation / up-dation.

38. The provision for capital gain tax (income tax) on sale of business assets has not been made in the books of accounts as the same is to be set off from unabsorbed brought forward business losses and unabsorbed depreciation as well as current business loss and depreciation. This view is also upheld by the Hon'ble Delhi High Court in case of Assistant Commissioner of Income Tax v/s Lavish Apartments Private Limited and the management has relied on the same.

39. In view of general circular Number 08/2014 dated 4<sup>th</sup> April, 2014 issues by the Ministry of Corporate Affairs (MCA) the financial statements, auditor's report and board reports are prepared and presented according to the relevant provisions / schedules / rules of the Companies Act 1956.

40. The outstanding balances of Debtors, Creditors and Loans & Advances (taken and given), balances with various statutory / fiscal authorities (assets & Liabilities) are subject to confirmation, reconciliation and consequent adjustments, if any. The differences as may be noticed on reconciliation are being accounted for and will be duly accounted for on completion thereof. In the opinion of the Management the ultimate difference will not be material.

#### 41. Employee Benefits

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below: **Defined Contribution Plans: Provident Fund**  
During the year, the Company has recognized the following amounts in the Profit & Loss Account

	Particulars	31.03.2014	31.03.2013
-	Employers Contribution to Provident Fund	12.82	13.75
-	Employers Contribution to Staff Welfare Fund	1.50	0.09

**Defined Benefit Plans**

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	31.03.2014	31.03.2013
Discount Rate	9.00	8.25%
Salary escalation rate	6.50	6.50%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2013

**a) Change in Present Value of Defined Benefit Obligation**

Particulars	31.03.2014	31.03.2013
Present value of obligations at the beginning of the year	32.56	26.60
Current Service Cost	5.09	4.90
Interest Cost	2.68	2.26
Actuarial (Gain) / Loss	0.82	-0.17
Benefit paid	-0.65	-1.03
<b>Present value of obligations at the end of the year</b>	<b>40.50</b>	<b>32.56</b>

NA denotes not available

**b) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2013**

Particulars	31.03.2014	31.03.2013
Obligation on the part of the Company	100%	100%

**c) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2013**

Particulars	31.03.2014	31.03.2013
Current Service Cost	5.09	4.90
Interest Cost	2.68	2.26
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	0.82	0.17
Past Service cost	0.00	0.00
<b>Net Gratuity (income) / expense</b>	<b>8.59</b>	<b>6.99</b>

The liability for leave encashment and compensated absences as at year end is Rs.23.02 Lacs (Previous year liability Rs.21.40 Lacs)

**42. Earnings Per Share:**

The basic and diluted EPS is calculated as under:

Particulars	31.03.2014	31.03.2013
Profit/(loss) attributable to Equity Share Holders	167.76	(505.48)
Weighted average number of Equity Shares of Rs.10 Each	5263467	5263467
<b>Earnings / (Loss) per share</b> (considering extra ordinary items) -Rupee only	(3.19)	(9.60)
<b>Earnings (Loss) per share</b> (without considering extra ordinary items) – Rupee only	(6.56)	(9.60)

**43. A. Additional Information pursuant to the provisions of part II of the Schedule VI to the Companies Act 1956.****B. RAW MATERIAL CONSUMED:**

NAME	QUANTITY (MT)		VALUE (Rs.)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
1). HDPE/LLDPE/LDPE/PP	713.24	818.11	626.30	766.21

## C. VALUE OF RAW MATERIAL, SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR:

	31/03/2014	%	31/03/2013	%
<b>I). RAW MATERIAL</b>				
Imported	288.44	26.21	366.63	25.93
Indigenous	812.19	73.79	1047.27	74.07
<b>TOTAL</b>	<b>1100.62</b>	<b>100.00</b>	<b>1413.90</b>	<b>100.00</b>
<b>II). SPARE PARTS AND COMPONENTS</b>				
Imported	42.19	38.22	26.56	31.31
Indigenous	68.19	61.78	58.27	68.69
<b>TOTAL</b>	<b>110.38</b>	<b>100.00</b>	<b>84.83</b>	<b>100.00</b>

## D. INCOME/EXPENDITURE IN FOREIGN CURRENCY:

D. EARNING / EXPENDITURE IN FOREIGN CURRENCY:	31-03-2014	31-03-2013
I ) Earning In Foreign Exchange - Exports On Fob Basis	667.98	337.36
ii ) Earning In Foreign Exchange - Advance Against Sale Of Assets	139.29	0.00
iii ) CIF Value Of Imported Material	285.46	339.02
iv ) Expenditure In Foreign Currency Travelling Technical, Drawing & Design	17.43	13.98
v ) Payment For Interest On Buyers Credit	1.29	4.10
vi ) Payment Against Capital Equipments	158.13	175.41

44. Previous period figure have been regrouped and rearranged/recast wherever necessary. Figure in brackets related to previous year. All amounts appears in this schedule are rupees in lacs.

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2014

(Amount in Rs.in Lacs)

PARTICULARS		2013-2014		2012-2013	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	i) Profit/Loss after Tax & Extra Ordinary Items		(167.76)		(505.49)
	ii) Profit on Sale of Assets	(177.66)		(0.02)	
	iii) Depreciation & Impairment	274.91		309.13	
	iv) Interest /Financial Charges	460.65		419.94	
	v) Provision for Taxes	-			
	vi) Interest /Dividend Received	(0.14)		(0.15)	
	<b>Total</b>		<b>557.76</b>		<b>728.90</b>
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES</b>		<b>390.00</b>		<b>223.40</b>
	<b>ADJUSTMENT</b>				
	i) Trade and other Receivables	(23.44)		(61.31)	
	ii) Inventories	100.62		(7.22)	
	iii) Trade Payable	(73.04)	4.14	244.29	175.76
	iv) Cash generated from operations		<b>394.14</b>		<b>399.16</b>
	v) Interest paid/Financial Charges	460.65	460.65	419.94	419.94
	<b>NET CASH FROM OPERATING ACTIVITIES [TOTAL A]</b>		<b>(66.51)</b>		<b>(20.78)</b>
<b>B</b>	<b>NET FLOW FROM INVESTMENT ACTIVITIES</b>				
	i) Purchase of Fixed Assests	(290.85)		220.20	
	iii) Sale of Fixed Assets	291.90		(2.42)	
	Sale of Investments	-		0	
	iv) Interest/Dividend Received	(0.14)	0.91	(0.15)	217.63
	<b>NET FLOW FROM INVESTMENT ACTIVITIES [TOTAL B]</b>		<b>(0.91)</b>		<b>(217.63)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
	i) Proceeds From Long Term Financing	95.83		650.46	
	ii) Proceeds From Short Term Financing	75.29		(10.48)	
	iii) Payment of Long Term Borrowings	(109.76)		(285.55)	
	iv) Payment of Defferal Credits - Net	4.11		(22.04)	
	v) Deferred payment to Machine Suppliers - Net	(23.70)		(64.18)	
	<b>NET FLOW FROM FINANCIAL ACTIVITIES [TOTAL C]</b>		<b>41.76</b>		<b>268.20</b>
	<b>CLOSING BALANCE [ A+B+C ]</b>		<b>(25.65)</b>		<b>29.79</b>
	CASH AND CASH EQUIVALENT OPENING BALANCE		65.72		35.92
	CASH AND CASH EQUIVALENT CLOSING BALANCE		40.06		65.72

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD  
FIRM REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS

DILIP JAIN  
PROPRIETOR -M.NO. 044301  
PLACE: AURANGABAD  
Date : 30.05.2014

ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843

SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892

DEEPAK KHANDELWAL  
GENERAL MANAGER (F&A)

**APT PACKAGING LIMITED**  
Registered office: J -18, MIDC, chikalthana, Aurangabad (MS) – 431105

**FORM OF PROXY**

Reg. Folio No. ....

I/We .....of .....in the district of .....being a

Member/members of Apt Packaging Limited hereby appoint

\*Mr./Mrs./Miss/.....of .....in the district of

.....or failure him/ he.....\*\*Mr./Mrs./Miss/.....of

.....in the district of .....as my/our proxy to vote for me/us on my/our behalf at the 34<sup>th</sup>

Annual General Meeting of the company to be held on Saturday, the 23<sup>rd</sup> day of August, 2014 at 11.30 am.

Signed this .....day of .....2014

No of shares:

Affix 15 paisa Revenue
------------------------------

(Signature of Member/s)

\*The member/members is/are requested to fill in the name of a person selected by him/them as proxy in the place marked with this asterisk.

**Notes:**

- A. The proxies form must be deposited at the registered office of the company not less than 48 hours before meeting.
- B. The proxy should be signed according to the specimen signature/of the member/s on the company's record.

.....Cut here.....

**APT PACKAGING LIMITED**  
Registered office: J -18, MIDC, chikalthana, Aurangabad (MS) – 431105

**ATTENDENCE SLEEP  
TO BE HANDOVER AT THE ENTRANCE OF THE MEETING HALL**

I hereby record my presence of the 34<sup>th</sup> Annual General meeting of Apt Packaging Limited at the Registered office: J-18, MIDC, chikalthana, Aurangabad – 431105 (MS) on Saturday. The 23<sup>rd</sup> August, 2014 at 11.30 am.

Full Name of the member of proxy attending the meeting.....

Reg. Folio No.....Number of shares held.....

Signature of the members/proxy attending the, meeting.....

Please give full name of first holder Mr/Mrs/Miss.....

**Note: Members are requested to bring their copy of Annual Report for the meeting.**

**PRINTED MATTER  
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**If undelivered please return to:**

REGISTERED OFFICE:

**APT PACKAGING LTD**

J-18, MIDC, CHIKALTHANA,

AURANGABAD – 431006.

Website: <http://aptpackaging.in>