

Notice of Annual General Meeting

NOTICE is hereby given that the 35th **Annual General Meeting** of the members of **Apt Packaging Limited** will be held on Saturday, the 19th day of September, 2015 at 11:00 AM at the registered office of the Company situated at J-18, MIDC Area, Chikalhana, Aurangabad - 431006 (MS) to transact the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt the Balance Sheet of the Company as on 31st March, 2015 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. G. M. Bothara, who retires by rotation and being eligible to offers himself for re-appointment
3. To ratify the appoint of M/s Rathi & Bangad, Chartered Accountants, as an Auditor of the Company.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:-

“RESOLVED THAT, pursuant to section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Mrs. Rupali Bothar, who was appointed as an Additional Director of the company by the Board of Directors with effect from February, 10, 2015 and who holds office till the date of the AGM, in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mrs Rupali Bothara as a candidate for the office of a director of the company, be and is hereby appointed as a director of the company.

SPECIAL BUSINESS

5. To re-appoint **Mr. Arvind Machhar (DIN: 00251843)** as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of **Mr. Arvind Machhar (DIN: 00251843)** as Managing Director of the Company, for a period of 3 (three) years with effect from June 26th 2015, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Committees of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to **Mr. Arvind Machhar (DIN: 00251843)**, subject to the same not exceeding the limits specified under Schedule V of Part – II of Section II (A) to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the board



Mr. Arvind Machhar
Managing Director

Place: Aurangabad
Date: 30.05.2015

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 September 15th, 2015 to September 19th, 2015 (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 had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mrs. Rupali Abhijeet Bothara, as Independent Director, in compliance with the requirements of the clause. Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The Nominations Committee has recommended the appointment of Mrs. Rupali Abhijeet Bothara as Independent Directors from February, 10th, 2015 who retires by rotation in accordance with the Articles of association and policy for Directors of the Company. Mrs. Rupali Abhijeet Bothara, non-executive director of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of this director as Independent Director is now being placed before the Members for their approval. The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday and Public Holiday.

A brief profile of the Independent Directors to be appointed is given below:

Mrs. Rupali Abhijeet Bothara is a Bachelor of Commerce and also holds a **Chartered Accountant Degree from the Institute of Chartered Accountant, Delhi** and she is also the **fellow** member of the Institute. She is currently working as a partner at Khandelwal Jain & Co., Office No. 108-112, 1st Floor, City Pride building, Mondha Naka Signal, Jalna Road, Aurangabad. – 431001, Maharashtra India.

She has vast knowledge of Company Law Compliance Matters, formation, and legal compliances of LLP, Statutory, Internal, MVAT & Tax Audit of Public Sector Undertakings, Companies, Financial Institutions, Bank concurrent Audits Consultancy on Income Tax, Service Tax, Matters including Representation before Tax Authorities.

She has acted as a Chairman Position of **Women Empowerment Committee of Aurangabad Branch of WIRC of ICAI** and Treasurer of Jain International Women Organization (JIWO) and **Member of Consumers Forum of LIC.**

ITEM NO: 5

Mr. Arvind Machhar was appointed as Managing Director of the company in the 32nd Annual General Meeting dated 29th September, 2012 for a period of three years with effect from 27th June 2012 to 26th June 2015 on the terms and condition including remuneration set out in the agreement entered in to between the company and Mr. Arvind Machhar. In recognition of his exposures and experience, the Board of Directors have reappointed him as Managing Director on new terms and Condition and fix the remuneration for further period of three years effective from 26/06/2015 subject to approval of the members.

REMUNERATION:

1. Salary : Rs 1,55,000-10,000-1,75,000
2. Perquisites as follows:
 - a. House Rent Allowance @ 10% of salary per month
 - b. Reimbursement of Medical Expenses incurred for self & family subject to ceiling of one month salary every year
 - c. Leave Travel Assistance for self & family once in a year subject to ceiling of one month salary every year
 - d. Company's contribution to Provident Fund in accordance with the rules of company
 - e. Superannuation Fund or Annuity Fund in accordance with the rules of company
 - f. Gratuity at the rate of half month's salary for each completed year of services
 - g. Encashment of un-availed leave at the end of tenure as per rules of Company
 - h. Provision of telephone at residence, however personal long distance calls shall be paid by him

Your director recommends the resolution to pass ordinary resolution. Mr. Arvind Machhar, Mr. Sandeep Machhar are interested in this resolution.

Further, a copy of statement containing information required to be given under Para (A) of Part II in section II to Schedule V is annexed herewith as Annexure-A.

ANNEXURE - A**I. General Information:**

- (1) Nature of industry:- Plastic Packaging Industry.
- (2) Date or expected date of commencement of commercial production:- In The Year 1997.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not Applicable
- (4) Financial performance based on given indicators:- As per Annual Report Attached
- (5) Foreign investments or collaborations, if any:- Not applicable

II. Information about the appointee:

- (1) Background details:- Graduate in Science and acquired MBA from well known Harvard School of Management, Boston, USA and holds position as Director in Six Companies.
- (2) Past remuneration:- 125000-10000-135000 per Month
- (3) Recognition or awards:- Nil
- (4) Job profile and his suitability:- Served in APT Packaging Ltd as a chairman cum Managing Director and has vast industrial experience of 33 years. Looking in to his vast experience in running the packaging Industry, your directors found his suitability of company
- (5) Remuneration proposed:- As per Explanatory statement Annexed in annual Report.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):- Comparable data is not available with company.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Sr. No.	Name of the Director	Shareholdings of Directors	% of shareholding
01.	Mr. Arvind Machhar	7,65,508	14.54
02.	Mr. Sandeep Machhar	51,572	1.17

III. Other information:

(1) Reasons of loss or inadequate profits:- As reported in Director's Report under operational and performance review .

(2) Steps taken or proposed to be taken for improvement:- As reported in Director's Report under operational and performance review.

(3) Expected increase in productivity and profits in measurable terms:- The expected increase in turnover and profit before depreciation, Interest & tax would be 9% and 40% respectively during the year 2015-16 as compare to the financial year 2014-15.

By order of the board



Mr. Arvind Machhar
Managing Director

Place: Aurangabad
Date: 30.05.2015

DIRECTORS' REPORT

To,

The Members of

Apt Packaging Limited

Dear Shareholders

The Directors are pleased to present Thirty Fifth Annual Report on the performance of the company for the financial year ended on 31st March'2015.

1. FINANCIAL HIGHLIGHTS

(Rs in Lacs)

PARTICULARS	YEAR ENDED ON 31.03.2015	YEAR ENDED ON 31.03.2014
Sales and other Income	2,601.26	2,879.94
Less: Operating Expenses	2216.81	2489.22
Profit before Interest and Depreciation	384.45	390.72
DEDUCTIONS		
Interest	461.58	460.65
Depreciation & Impairment	264.64	274.91
Operational Profit before Tax	-341.77	-344.84
Previous Year Income / Expenses	15.51	-0.58
Net Profit / (Loss)	-326.26	-345.42
Extra ordinary items – Profit on Sale of Fixed Assets	0.00	177.66
Income Tax	0.00	0.00
NET PROFIT FOR THE YEAR	-326.26	-167.76

2. PERFORMANCE OF THE COMPANY DURING THE FINANCIAL YEAR:-

During the year under review 430.28 Lacs tubes were dispatched as compared to the previous year dispatches of 491.51 Lacs tubes. The sales and other income has declined to at Rs.2,601.26 Lacs as against Rs. 2,879.94 Lacs in the previous year. The decline was mainly due to overall weak overseas markets, lower demand from domestic customers, higher cost of raw materials, pressure on selling prizes, cut through competition in product sector from new entrant.

In spite of decrease in sales the PBDIT remained nearly same at Rs. 384.45 Lacs as against Rs. 390.72 Lacs. This is due to well thought strategy of better product mix; higher automation; all around cost

reduction and control. The Company is making efforts to explore new customers and markets and the result of same are expected in current year.

3. MATERIAL CHANGES:-

During the period from 01.04.2015 to 30.05.2015 no material changes have been occurred yet to the close of financial year.

4. DIVIDEND

In view of unavailability of the profits, the Board of Directors Expresses its inability to declare any dividend for the year ended 31st March, 2015.

5. RESERVES

During the year under review no amount carry to any reserve to be given.

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS.

During the year under review company has not received any adverse notice from Ministry of Corporate Affairs, Tribunals, ROC, RBI and Central Government. However during the year Hon'ble High Court of Mumbai, Aurangabad Bench has set aside the order dated 18.09.2012 of Joint Director of Industries, Aurangabad and has upheld that the Company is entitled to get the reliefs and concessions from Government of Maharashtra in accordance to the Sanctioned Scheme ordered by Board for Industrial and Financial Reconstruction, New Delhi.

7. INTERNAL FINANCIAL CONTROLS.

During the year under review company has sufficient internal control policy & system for to take care of frauds and illegitimate practice.

8. STATUTORY AUDITORS

M/s. Rathi & Bangad, Chartered Accountants, Aurangabad, the Statutory Auditors of the Company has re-appointment for three years in previous Annual General Meeting held on 23rd August, 2014 of the company as per Companies Act 2013.

9. 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 submitted Draft Rehabilitation Scheme (DRS) to OA and OA has submitted the DRS to BIFR. The sole banker Punjab National Bank has approved for re-schedulement of installments and concessions in rate of interest. "In view of above the accounts of the Period under review have been prepared on going concern basis". (Refer Note Number 36)

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.39)

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.35)

10. EXTRACT OF THE ANNUAL RETURN

The detailed information of the annual return in Form No MGT – 9 is attached with this Board's report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows.

A) Conservation of energy:

(i) **The steps taken or impact on 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.

(ii) **The steps taken by the company for utilizing alternate sources of energy;** The Company has not taken any efforts for alternate source of energy due to financial constraints and also as the energy consumption is very low as compared to turnover.

(iii) **The capital investment on energy conservation equipments;** No investment during the year.

(B) Technology absorption:-

(i) The efforts made towards technology absorption; The Company has not installed any new Plant or Machinery with new technology during the year.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution;** Same operational profits on lower turnover.

(C) Foreign exchange earnings and Outgo: Foreign Exchange earning of the Company is Rs.307.83 Lacs for the year under review, whereas the outgo is Rs.377.53 Lacs.

12. CHANGE IN DIRECTORS:

A) Changes in Directors and Key Managerial Personnel

The details about the changes in the directors or key managerial personnel by way of

Designation:- During the year Company has designated Shri. Arvind Machhar, Managing Director of the company as Key managerial personnel in the meeting of Board of Directors dated on 30th May, 2014.

Appointment:- During the year company has made following person on the Board of the Company.

SR. NO	NAME OF PERSON APPOINTED AS DIRECTOR	DATE OF APPOINTMENT	CATEGORY
01.	Mrs. Rupali Bothara	10/02/2015	Independent
02.	Mr. Bhushan Puranik	10/02/2015	Company Secretary

Resignation: - During the year Company has approved Resignation tender by Mr. Bhushan Puranik, as a Company Secretary from the Board due to his personal and un-avoidable circumstances.

Re-appointment :- Shri G. M. Bothara director of the company is retiring by rotation and being eligible to offer himself for re-appointment. The Board recommends his appointment.

Declaration by an Independent Director(s) and re- appointment:-

A declaration by an Independent Director(s) that he/she/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has taken by the company enclosed. No independent director have completed a term of five consecutive years on the Board of a Company since their re-appointment as per Companies Act 2013 therefore no need to pass of a special resolution.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS: - The Board of Company met six times during the last financial year.

14. AUDIT COMMITTEE:- The Board of Company met four times during the last financial year.

15. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES: - During the year Company has established sufficient vigil mechanism for directors and employees to report genuine concerns to disclose.

16. NOMINATION AND REMUNERATION COMMITTEE:- During the year Company has established one remuneration committee for fixing the remuneration package of directors & employee.

17. MANAGERIAL REMUNERATION: - As per details mentioned in attached Corporate Governance report.

18. SECRETARIAL AUDIT REPORT:- A Secretarial Audit Report given by Mr. Girish Bhandare and Associates, a Company Secretary in Practice is attached herewith.

19. CORPORATE GOVERNANCE CERTIFICATE :-

The Compliance Certificate from M/s. Rathi & Bangad, Chartered Accounts the auditors of the Company regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

20. RISK MANAGEMENT POLICY:-

During the year Company has implemented sufficient risk management policy for the identification of elements of risk.

21. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) Applicable accounting standards have been followed with explanation for any material departures
- b) 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.
- c) 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 fraud and other irregularities
- d) The annual accounts are prepared on a going concern basis; and
- e) Adequate internal financial controls system consisting of policies and procedures are adopted and adhered by the Company for orderly and efficient conduct of the business for safeguarding assets, prevention and detection of frauds and errors and maintenance of accounting records and timely preparation of financial statements and review its efficacy. In the opinion of Board such controls are adequate and are operating effectively.
- f) 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.

22. ACKNOWLEDGEMENTS:-

The Board of Directors place on record their sincere gratitude to employees for their hard work, to Punjab National Bank as sole banker, to investors for their trust and confidence in the management and all concerned with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors

Place: Aurangabad
Date: 30.05.2015

Arvind Machhar
(Managing Director)

SECRETARIAL AUDIT REPORT

(For the period from 01.04.2014 to 31.03.2015)

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

To,
The Board of Directors
APT Packaging Ltd.
CIN: L24100MH1980PLC022746
Regd. Office: Gut No 72, Pharola village,
Post Beedkin, Aurangabad – 431005.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Apt Packaging Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31.03.2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Apt Packaging Limited** (“**The Company**”) for the period ended on 31.03.2015 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **NIL**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company :a.
The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **NIL**
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **NIL**
d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **M/s Linkintime India Pvt. Ltd. C – 13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai – 400078 is the Authorised R & T of the company as per the agreement executed by the company.**
e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Trading in the shares of the Company is suspended at BSE due to procedural reasons.**
f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NIL**
g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, **Trading in the shares of the Company is suspended at BSE due to procedural reasons.**
and
h. The Memorandum and Articles of Association.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above: The Compliance report obtained from **Practicing Company Secretary under clause 47(c) of Listing Agreement and other necessary certificates have been obtained by the company but not yet filed to BSE.**

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members.
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government; **Form 20B for FY 2013 – 14 dated 23.10.2014 not available on MCA portal.**
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the Annual General Meeting held on 23rd August 2014;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole time Directors;
- k) payment of remuneration to Directors including the Managing Director and Whole time Directors,
- l) appointment and remuneration of Auditors and Cost Auditors;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of dividends;
- o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

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

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

_ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

_ The Company has obtained all necessary approvals under the various provisions of the Act; and There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

_ The Directors have complied with the disclosure requirements in respect of their eligibility of

appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

The new shares in the Dematerialised form are yet to be issued after allotment of new ISIN number by CDSL which is pending for the receipt for in principal approval from BSE.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. I further report that:

a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

Place : Aurangabad

Date : 01.06.2015

For Girish Bhandare & Associates

Company Secretaries

M. No. 30505 & CP 11092

“CORPORATE GOVERNANCE REPORT”

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is listed below:

1. COMPANY’S PHILOSOPHY

Corporate Governance encompasses a set of systems and practices to ensure that the Company’s affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. Your Company is committed to adopt the best Corporate Governance practices and endeavors continuously to implement the code of Corporate Governance in its true spirit. Over the years, we have strengthened governance practices. These practices define the way business is conducted and value is generated. The Company is committed to good Corporate Governance practices that serve and protect the short and long term interests of the stakeholders.

The following report on the implementation of the Corporate Governance requirements under Clause 49 of the Listing Agreement illustrates the efforts of the Company in having followed the Corporate Governance Principles.

2. ATTENDENCE ON BOARD OF DIRECTORS MEETINGS & AGM :-

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	1
Shri Sandeep Machhar	5	1
Shri G. M. Bothara	6	1
Shri B.H. Tapdiya	6	1
Mrs. Rupali Bothara	1	0

*Attendance of BODM & AGM by Mrs. Rupali Bothara to be considered since 10.02.2015, due to effective date of her appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Attendance of Directors at Board Meeting:- The Board of Company met six times during the last financial year, on the following dates:

30th May 2014 (2) 11th July, 2014 (3) 9th August, 2014 (4) 11th November, 2014 (5) 13th November, 2014 (6) 10th February 2015

3. AUDIT COMMITTEE

During the financial year 2014-15, four meetings were held on the following dates:

(1) 30th May 2014 (2) 5th August, 2014 (3) 11th November, 2014 (4) 09th February 2015.

CONSTITUTION OF AUDIT COMMITTEE DETAILS:-

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	Four
Shri B. H. Tapdiya*	Member	Non-executive / Independent	Consultant	Four
Shri Arvind Machhar	Member	Executive	Industrialist	Four
Mrs. Rupali Bothara*	Members	Non-executive / Independent	Practicing Chartered Accountant	Nil**

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

* Possesses expert knowledge in finance, accounts and taxation and Company Law.

*Attendance of Audit Committee Meeting by Mrs. Rupali Bothara to be considered since 10.02.2015, due to effective date of her appointment.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 23rd August, 2014.

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

1. To review the Company's financial reporting process and its financial statements.
2. To review the accounting and financial policies and practices.
3. To review the efficiency of the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
4. To review reports furnished by the internal and statutory auditors and ensure that suitable follow-up action is taken.
5. To examine accountancy, taxation and disclosure aspects of all significant transactions

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Agreement.

4. NOMINATION AND REMUNERATION 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 2014-2015, one meeting was held on 26th October, 2014 which was attended by Shri G. M. Bothara and Shri B. H. Tapdiya as the members of the committee.

REMUNERATION PACKGAE DETAILS

Details of remuneration paid/payable to directors for the year ended March 31, 2015 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.	Comm ission Rs.	Total
Shri Arvind Machhar	Related to Shri Sandeep Machhar	Promoter	NIL	Nil	21,91,000	Nil	21,91,000
Shri Sandeep Machhar	Related to Shri Arvind Machhar	Promoter	Nil	5,000	Nil	Nil	5,000
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 GRIVENCE COMMITTEE

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

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 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 administer the following activities:-

- a) 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

- b) To consider and approve transfer of shares, dematerialization of shares, deletion off name, splitting and consolidation of shares etc.
- c) To delegate any of its responsibilities to any officer of the company or to R & T agents and to supervise the proper exercise of delegated powers.

During the financial year 2014-2015, one meeting was held on 1st July, 2014 which was attended by all the members of the committee.

6. GENERAL BODY MEETING

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

Annual General Meeting	Date	Time	Venue	No. of Special Resolutions passed
Thirty Second	29/09/2012	11.30 am	J-18, MID Area, Chikalhana, Aurangabad – 431 006	Two
Thirty Third	10/08/2013	11.30 am	J-18, MID Area, Chikalhana, Aurangabad – 431 006	One
Thirty Fourth	23/08/2014	11.30 am	J-18, MID Area, Chikalhana, Aurangabad – 431 006	Two

All the special resolutions indicated above were passed by show of hands as they are ordinary Special Resolution.

No Resolution Passed through postal ballot during the year, presently company does not have any transaction/proposal for postal ballot

7. DISCLOSURES

- No Transaction of material nature has been entered into by the Company with Directors or Management and their relatives, etc. that may have a potential conflict with the interest of the Company. The Register of Contracts containing transaction, in which directors are interested, is placed before the Board regularly.
- There are the related parties transactions i.e. transactions of the Company with its Promoters, Directors and Management not conflicting with Company's interest, the details of which have been shown in Note No 31 of the Accounts for the year ended 31st March, 2015.
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchange does not arise.

8. NOTE ON DIRECTORS APPOINTMENT/RE-APPOINTMENT

Shri G. M. Bothara is liable to retire by rotation and being eligible offered him for re-appointment. He is Commerce graduate having vast knowledge of Income Tax, Excise, Sales Tax and allied matters.

9. MEANS OF COMMUNICATION

The Company had submitted its quarterly, half yearly and financial results to the stock exchange soon after its approval by the Board and published the same in leading national newspapers (i.e. Times of India in English and Gavkari in Marathi). The Company did not display the financial results on its website.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

* Date, Day and Time : Saturday, September 19th, 2015 at 11.00 AM

* Venue : J-18, MIDC, Chikalthana, Aurangabad (MS)

b) FINANCIAL CALENDER

The financial year of the company is April, 2014 to March, 2015.

Financial reporting for

- Quarter ending June 30, 2014	: Last week of May, 2014
- Half year ending September 30, 2014	: First week of August, 2014
- Quarter ending December 31, 2014	: Second week of November, 2014
- Year ending March 31, 2015	: Second week of February, 2015

ANNUAL GENERAL MEETING

For the year ending March 31, 2014 : August 23rd, 2014

c) Date of book closure : August 18th, 2014 to August 23rd, 2014
(Both days inclusive)

d) Dividend Payment Date : No dividend is declared for the year

e) Listing of Equity Shares on Stock Exchange:

- The Stock Exchange, Mumbai, Ist Floor, Rotunda Building, B.S. Marg, Fort
Mumbai – 400001

- Annual Listing fees have been paid to the Stock Exchange for the financial
year 2014-2015

f) Scrip Code: The script code of the Company is 506979 and ISIN No. of the Company
is INE 46E01017 (New ISIN is to be allotted by CDSL for new shares)

f) Market Price Data:

The trading in the shares of the Company was suspended since 15.04.2008 due to record date of 30.04.2008 fixed for issue of new shares post capital reduction, de-merger and consolidation of shares. The Company has made application to Bombay Stock Exchange for listing of the new equity shares. This application is under consideration of the exchange and the listing is awaited. In view of the same, the trading of the shares of the Company was not done during the year, hence no high & low price of shares is available.

g) Registrar and Transfer Agents:

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>

Email : sharad.patkar@linkintime.co.in

h) Share Transfer System:

The Company has retained M/s Link Intime India Pvt. Limited, Mumbai to carry out the transfer related activities. All valid transfer are effected within stipulated days and taken on record by the Board of Director of the Company. Share Certificates and Transfer deeds are received at Registered Office and Share Transfer Agent for doing the needful. Trading in Securities of the Company can be done only in Dematerialized form and Company has signed agreement with Central Depository Services Limited.

i) Distribution of Shareholding as on 31st March, 2015 is as given below:

Slab of Shareholding	Shareholders	% to total	Shares	% to total
Up to 500	9981	97.6137	715212	13.5882
501 to 1000	101	0.9878	69128	1.3134
1001 to 2000	42	0.4108	63990	1.2157
2001 to 3000	16	0.1565	41336	0.7853
3001 to 4000	10	0.0978	35086	0.6666
4001 to 5000	11	0.1076	50668	0.9626
5001 to 10000	16	0.1565	121258	2.3038
10001 and above	48	0.4694	4166789	79.1643
TOTAL	10225	100.00	5263467	100.00

j) 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 d-mat format. As on 31/03/2015, 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.

k) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity : NIL

l) 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, 5th KM stone, AkabarpurUrd, Laksar - Haridwar Road, Laksar, Dist – Haridwar, (UTTARAKHAND)

m) Address for correspondence:

M/s Apt Packaging Limited

J-18, MIDC Area, Chikalhana, Dist. – Aurangabad – 431 006 (MS)

Tel No.: 0240-6642000/ 638 Fax. : 0240-6642011

Email ID : deepakkhandelwal@aptpackaging.in & csoffice@aptpackaging.in

Website : www.aptpackaging.com

n) Exclusive e-mail ID for redresses of investors complaints

Email ID: investors@aptpackaging.in

11. MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRIES STRUCTURE AND DEVELOPMENT

In developing countries the Co-extruded tubes manufactured by the company are used by the cosmetic industry for packaging of their cosmetic products but in the developed 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.

OPPORTUNITIES AND THREATS

The industry scenario has thrown open lot of opportunities for the manufacturers of packaging products. Any product, with attractive, durable and aesthetic packaging will survive the fierce competition witnessed in the herbal/pharma/skin care products. As such, the packaging industry has an important role to play in boosting these products.

The Extruded plastic tubes has been substitute for the aluminum collapsible tube and laminated collapsible tubes presently being used for packaging toothpaste, cosmetics etc. The company proposes to manufacture tubes in standard sizes currently being used by end users. These sizes correspond to pack sizes of toothpaste and cosmetics and pharmaceuticals, currently all over India.

The use of co-extruded seamless tubes in the developed countries is not new; therefore export potential of the co-extruded seamless tubes to the developed countries is enormous. With the increased demand in the domestic market along with the continued exports the capacity utilization of the plant is likely to increase continuously which would result into improved productivity and profitability. The demand in the domestic market is also increasing. The Company has completed the installation of new plant at HARDWAR and also plans for expansion and de-bottlenecking plans at the Aurangabad unit to increase the level of production.

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.

Foregoing above and due to our marketing efforts we are presently having major market share of seamless plastic tubes in the domestic market.

Further our participation in the international exhibition has helped us in improving our exports year after year.

At present on average basis 65% of our production goes into the domestic market and 35% of it goes to the export market.

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.

RISK AND CONCERN

Growing market due to change in consumer behavior
Attraction of quality packaging encouraging packaging industry
Opportunity to penetrate in North India market
Unhealthy Competition from unauthorized sector

For and on behalf of the Board of Directors

Place: Aurangabad
Date: 30.05.2015

Shri. Arvind Machhar
(Managing Director)

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 31st March 2015.

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 *having whole time company secretary except for the period for the period 01.09.2014 to 22.02.2015 and remuneration committee constitute of two independent directors instead of three, as stipulated in clause 49 of the said Listing Agreement but company has appointed one Independent Director dated on 22.02.2015 for complying requirement of clause 49 onwards .*

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 / 2015
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 **31st March 2015**, 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 Standalone Financial Statements

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

Auditors' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimate made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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, of the state of affairs of the company as at March 31, 2015 and its loss and its Cash Flow, for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statement.

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 OA submitted the draft rehabilitation scheme before the BIFR. (Refer Note No. 36)

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/balance, income tax, subject to confirmations, reconciliation and consequent adjustment, if any. (Refer Note No.39)

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 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 35)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements except as reported at Sr. No. 2 (Emphasis of Matter)

In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.

The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.

On the basis of the written representations received from the directors of the Company as on 31 March, 2015 taken on record by the Board of Directors of the Company none of the directors of the company is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

The financial statements disclose the impact of pending litigations on the financial position of the company Refer Note 32 (a) & 33 to the financial statements.

The company did not have any material foreseeable losses on long-term contracts including derivate contracts.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Date: 30 / 05 / 2015
Place: Aurangabad**

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

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Statement referred to in paragraph 3 & 4 of the Auditor' Report of even date to the member of APT PACKAGING LIMITED ("the Company") on the financial statements for the year ended 31st March, 2015.

a. The company has maintained proper records showing full particulars including **quantitative** details and situation of fixed assets.

b. A major portion of the fixed assets has been physically verified by the management in accordance with a phased **program** of verification adopted by the company. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies have been noticed on such verification.

c. During the year under consideration the management of the company has discarded the Plant & Machineries being **absolute** and not usable having Gross block amounting to Rs. 249.24 less accumulated opening Depreciation Rs 183.63 Lacs and balance Rs 65.60 Lacs have been adjusted against the impairment reserve.

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 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.

As informed to us, the company has not given loans to any firms covered in the register maintained under section 189 of the companies Act, 2013.

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 and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

According to the information and explanation given by the management, the Company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under. During the year under consideration the company has accepted Rs. 59.13 Lacs from the director and Rs. 330.00 Lacs from corporate bodies (i.e. Inter Corporate **Deposit**). The Company also repaid Rs. 337.17 Lacs against interoperate deposit and Rs. 82.14 Lacs to directors and promoters. *As per information and explanation given by the management to us, the same has been done to maintain the balance according to the terms and conditions stipulated by the banker.*

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 sub-section of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts have been made and maintained.

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. 22.45 Lacs. (More than Six Months Figure).

The statements of Arrears of Statutory dues outstanding for more than six months are as follows:

TYPE OF TAXES	AMOUNT IN LACS
<i>Property Tax</i>	3.34
<i>Sales Tax</i>	0.77
<i>Sales tax Deferment Dues</i>	11.87
<i>Works Contract Tax</i>	0.41
<i>Tax Deducted at Source</i>	6.06

b. As at 31st March 2015 according to the records of the company, the following are the particulars of disputed dues have not been deposited:

<i>Name of Statute</i>	<i>Disputed Liability Rs. In Lacs</i>	<i>Forum where dispute is pending</i>
<i>Sales Tax Govt. of Maharashtra</i>	4.75	<i>Sales Tax Authority, Aurangabad / Haridwar.</i>
<i>Property Tax</i>	1.35	<i>Municipal Corporation Authority, Aurangabad.</i>
<i>Income Tax – Carried Forward Unabsorbed Depreciation of Rs. 1354.42 Lacs.</i>	0.00 <i>(Being Loss Return)</i>	<i>Commissioner of Income Tax Appeals, Aurangabad.</i>
<i>Tax Deducted at Source</i>	12.20 and <i>Interest thereon.</i>	<i>Before Assessing officer, Aurangabad.</i>

The company has accumulated losses exceeding its net worth as on March 31, 2015. The Company has incurred cash losses of Rs. 61.62 Lacs during the financial year covered by our audit and there was no cash loss in the financial year immediately preceding current financial year considering exceptional item profit at Rs. 177.66 Lacs.

According to the information and explanation given by the management to us no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

Based on our audit procedures and on the information and explanations given by the management, the company has not repaid any installment of loans to banks in respect of term loans during the year under consideration. The company has not repaid any installment of the term loan obtained from the bank since last 15 months amounting to Rs. 386.31 Lacs besides interest payable Rs. 98.21 Lacs. Hence the delay exists as at March 31, 2015 is Rs. 484.52 Lacs including installment & interest.

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 incase 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 31.03.2015 on account of Sales tax deferral.

According to the records of the Company, information and explanation given to us, the company has not obtained any term loans during the year under audit, hence not applicable. 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]

Date: 30 / 05 / 2015
Place: Aurangabad

Dilip D. Jain
Proprietor
M. No. 044301

APT PACKAGING LIMITED
BALANCE SHEET AS ON 31.03.2015 (Rs. In Lacs)

		NOTE	AS AT 31.03.15	AS AT 31.03.14
I.	EQUITY AND LIABILITIES	-		
1)	SHAREHOLDER'S FUNDS			
	a) Share Capital	3	580.40	580.40
	b) Reserves and surplus	4	-1,394.79	-1,098.54
			-814.39	-518.14
2)	NON-CURRENT LIABILITIES			
	a) Long Term Borrowings	5	2,322.71	2,752.70
	b) Deferred Tax Liabilities	6	0.00	0.00
	c) Long Term Provision	7	50.49	63.52
			2,373.20	2,816.21
3)	CURRENT LIABILITIES	-		
	a) Short Term Borrowings	8	732.33	890.85
	b) Trade Payables	9	446.86	487.60
	c) Other Current Liabilities	10	1,111.28	580.07
	d) Short Term Provision	11	14.26	21.33
			2,304.73	1,979.85
	TOTAL		3,863.54	4,277.93
II	ASSETS			
1	NON-CURRENT ASSETS			
	(a) Fixed Assets	12		
	i) Tangible Assets		2,951.98	3,184.20
	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	11.27	7.27
			2,966.34	3,194.56
2	CURRENT ASSETS			
	a) Inventories	15	255.60	267.45
	b) Trade Receivables	16	458.47	602.23
	c) Cash and Cash Equivalents	17	41.66	40.06
	d) Short Term Loans and advances	18	26.42	35.00
	e) Other Current Assets	19	115.05	138.62
			897.20	1,083.37
	TOTAL		3,863.54	4,277.93

AS PER OUR REPORT ANNEXED
FOR RATHI & BANGAD
FIRMS REGISTRATION NUMBER 108702W
CHARTERED ACCOUNTANTS
DILIP JAIN –PROPRIETOR- M. NO 044301
PLACE –AURANGABAD
DATE - 30.05.2015


SHRI ARVIND MACHHAR
MANAGING DIRECTOR
DIN:- 00251843


SHRI SANDEEP MACHHAR
DIRECTOR


SHRI DEEPAK KHANDELWAL
GENERAL MANAGER (F&A)

APT PACKAGING LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

				Rs. In Lacs		
				NOTE	AS AT 31.03.15	AS AT 31.03.14
I	REVENUE					
	Revenue from Operations		20	2,582.17	2,817.20	
	Other Income		21	19.09	62.74	
	TOTAL REVENUE			2,601.26	2,879.94	
II	EXPENSES					
	Cost of Materials Consumed		22	1,016.85	1,100.63	
	Changes in Inventories of Finished Goods and Work-in-Progress		23	9.89	27.80	
	Employee Benefits Expenses		24	386.33	381.83	
	Finance Cost		25	461.58	460.65	
	Depreciation and Amortisation Expenses		26	264.64	274.91	
	Other Expenses		27	803.74	978.96	
	TOTAL EXPENSES			2,943.03	3,224.78	
III	Profit / (Loss) Before Exceptional & Extraordinary Items and Tax			(341.77)	(344.84)	
	Prior Period Income/(Expenses)		28	15.51	(0.58)	
IV	Exceptional Items		29	0.00	177.66	
V	Profit / (Loss) Before Tax			(326.26)	(167.76)	
VI	Tax Expenses			-	-	
VII	Profit / (Loss) After Tax for the Year			(326.26)	(167.76)	
VIII	Earning Per Share:					
	Par Value per Share Rs.10/-					
	a) Basic			-6.20	-3.19	
	b) Diluted			-6.20	-3.19	
Refer to Accompanying Notes to Financial Statements						
	Significant Accounting Policies		1			
	Notes to Accounts		2			

FOR RATHI & BANGAD
 FIRMS REGISTRATION NUMBER 108702W
 CHARTERED ACCOUNTANTS
 DILIP JAIN –PROPRIETOR- M. NO 044301
 PLACE –AURANGABAD
 DATE - 30.05.2015


 SHRI ARVIND MACHHAR
 MANAGING DIRECTOR
 DIN:- 00251843


 SHRI SANDEEP MACHHAR
 DIRECTOR


 SHRI 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 (BIFR) vide order dated 21.11.2013. The draft rehabilitation scheme submitted by Punjab National Bank as Operating Agency is pending with BIFR. The company is a public limited company incorporated and domiciled in India and its registered office is at Aurangabad, Maharashtra. The company has its primary listing on Mumbai Stock Exchange.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) General:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

c) Provision of Contingent Liabilities & Assets

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made

Contingent assets are neither recognised nor disclosed in the financial statements.

d) Fixed Assets, Depreciation, Amortization and impairment:

Tangible Assets

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 and amortization
Depreciation on tangible assets is provided on the straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of Companies Act, 2013 except in respect of the plant and machineries where useful life is different than those prescribed in schedule II are used. Depreciation for assets purchased / sold during a period is proportionately charged Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

1 For these classes of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets i.e. 10 to 18 years is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

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 demolished 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.

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

viii) 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.

Intangible Assets

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

e) 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.

f) Investments:

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

g) 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), labour and overhead expenses inclusive of depreciation.

iii. Inventory verified, valued and certified by management.

h) 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.

i) Cenvat (Modvat):

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

j) 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.

k) Government Grants:

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

l) Misc. Expenditures:

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

m) Prior period items etc.

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

n) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

o) 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.

p) 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.

NOTE NO.3: SHARE CAPITAL	AS AT 31.03.15	AS AT 31.03.14
AUTHORISED: 1,00,00,000 Equity Shares of Rs.10 each	1,000.00	1,000.00
ISSUED:		
60,36,417 (60,36,417) Equity shares of Rs.10/- each	603.64	603.64
PAID UP:		
*52,63,467 (52,63,467) Equity Shares of Rs.10/- each fully paid up.	526.35	526.35
Add: Forfeited Shares	54.06	54.06
736248 (736248) Equity Shares of Rs. 10 each		
	580.40	580.40

RECONCILIATION OF SHARE CAPITAL

Equity Shares	AS AT 31.03.15		AS AT 31.03.14	
	No of Shares	Amount	No of Shares	Amount
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) No bonus and dividends have been paid out during last five years immediately preceding March 2015.
- 4) 25,00,000 paid up shares for cash at par issued on 26.10.2010 to promoters on preferential basis in accordance to sanctioned scheme ordered by BIFR
- 5) In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to number of equity shares held by shareholders.
- 6) Details of Shareholders holding more than 5% Shares in the company

Name	2014-2015		2013-2014	
	No. of Shares	%	No. of Shares	%
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	1.03.2015	31.03.2014
1) CAPITAL RESERVES:		
Capital Reserve - As per last Balance Sheet	548.22	548.22
Capital Incentives (Subsidy) - As per last Balance Sheet	83.23	53.23
Add during the year		
Profit on Reissue of forfeited shares - As per last Balance Sheet	3.36	3.36
Total Capital Reserves	634.80	604.80
-		
2) SECURITIES PREMIUM RESERVE - As per Last Balance Sheet	480.90	480.90
3) PROFIT AND LOSS ACCOUNT		
Balance as per the last financial statements	-2,184.24	-2,016.48
Profit / (Loss) for the year	-326.26	-167.76
Net surplus /(Deficit) in the statement of Profit and Loss	-2,510.50	-2,184.24
	-1,394.79	-1,098.54

NOTE NO.5: LONG TERM BORROWINGS	Long Term Maturities		Current Maturities	
-	31.03.2015	31.03.2014	31.03.2015	31.03.2014
SECURED LOANS				
1. TERM LOANS FROM BANKS:				
a) Punjab National Bank Term Loan - I	0.00	0.00	163.86	0.00

b) Punjab National Bank Term Loan - II	117.00	73.70	239.79	83.55
c) Punjab National Bank Term Loan – III	28.10	103.76	177.39	84.30
d) Punjab National Bank Term Loan - IV	50.55	225.16	79.30	117.00
e) Punjab National Bank Term Loans - V	0.00	85.04	133.49	36.30
f) Interest Accrued on Above TL Accounts	0.00	58.10	88.03	65.50
UNDER VEHICLE FINANCE SCHEME				
g) State Bank of India "Vehicle Loan"	0.00	4.50	5.14	7.99
h) ICICI Bank Ltd. "Vehicle Loans"	6.77	0.00	2.29	1.73
i) Axis Bank Ltd. "Vehicle Loan"	4.56	0.00	1.95	0.00
2. DEFERRED PAYMENT LIABILITIES				
j) For acquisition of fixed assets - To Machine Supplier	0.00	0.00	19.47	20.71
k) For acquisition of fixed assets	17.71	83.79	66.91	72.61
TOTAL SECURED LOANS	224.70	634.06	977.62	489.69
UNSECURED LOANS				
UNRELATED PARTY				
l) Deferred Sales Tax liability	495.28	528.62	61.73	39.98
m) Inter Corporate Deposits	709.50	652.46	0.00	0.00
RELATED PARTY				
n) Directors	764.01	750.12	0.00	0.00
o) Promoters (Interest Free)	0.00	64.13	0.00	0.00
p) ICD from promoter group Company	129.21	123.30	0.00	0.00
TOTAL UNSECURED	2098.00	2118.63	61.73	39.98
	2322.71	2752.69	1039.35	529.67

Sr. No.Above

- A Primarily secured by hypothecation of one machine at Laksar unit of the company and is repayable in monthly installments, due upto March , 2016.
- B Primarily secured by hypothecation of some of the fixed assets at Laksar unit of the company and is repayable in monthly installments, due upto June, 2017.
- c Primarily secured by hypothecation of some of the machines at Laksar unit of the company

- and is repayable in monthly installment upto August, 2016
- D Primarily secured by hypothecation of some of the machines at Laksar unit of the company and is repayable in monthly installments, due upto December 2017.
- E This constitute the interest on term loans referred in a, b, c & d above funded by the bank on restructuring for the period from October 2012 to September 2013. This is payable in monthly installments due up to March, 2016
- F This is the interest provided by the company at the applicable rate of the bank to the company (except penal interest) on the above term loans as the bank has not debited the interest because the accounts of the company are non performing assets in the books of the bank.
All the above term loans from PNB as mentioned above as a, b, c, d, e & e are personally guaranteed by managing director and one director of the company. All of these are collatorally secured by all the fixed assets of the Company situated at Pharola, Chikalhana and Laksar plants. The above term loans carries the interest rate depending upon the BPLR & base rate of the bank which presently works out to 16.25% p.a.
- 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 is repayable in equated monthly installments, due upto August, 2017.
- I Secured by hypothecation of the vehicles acquired by utilising the said loans in the name of managing director of the company and is repayable in equated monthly installments, due upto March, 2018.
- 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 @ 18% 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	31.03.2015	31.03.2014
a) The company is having carried forward losses as per books of accounts of Rs. 2510.50 Lacs and also as per the Income tax 1961 of Rs.2503.75 Lacs, which is equivalent to 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: The assessing Officer has not allowed to carry forward unabsorbed depreciation to the extent of Rs.1354.42Lacs in the Assessment Year 2010-2011 mentioning that depreciation up to assessment year 2001-2002 can be carried forward only for eight years and as the said time has been lapsed could not be allowed to carried forward further. Hence aggrieved by the said order and on obtaining legal opinion the management has preferred an appeal before first appellate authority and quite hopeful about the favorable result.		

NOTE NO.7: LONG TERM PROVISIONS	31.03.2015	31.03.2014
Provision for Employee benefit		
Provision for Gratuity (Non Funded)	35.35	40.50
Provision for Leave Encashment (Non-Funded)	15.14	23.02
	50.49	63.52

NOTE NO.8: SHORT TERM BORROWINGS	31.03.2015	31.03.2014
Cash credit, packing credit, post shipment and ILC acceptance (secured)	648.89	798.95
Interest Accrued on the above	35.06	-
Foreign currency buyer's credit loan (unsecured)	48.39	91.90
	732.33	890.85

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 Chikalhana. 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.

This is the interest provided by the company at the applicable rate of the bank to the company (except penal interest) on the above working capital accounts as the bank has not debited the interest because the accounts of the company are non performing assets in the books of the bank

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	31.03.2015	31.03.2014
Trade Payables for Materials and Services	446.86	487.60
	446.86	487.60

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	31.03.2015	31.03.2014
Advances from Customers	18.49	6.50
Creditors for capital goods	13.83	15.64
Interest Accrued but not due	0.00	0.00
Statutory liabilities	39.60	28.26
Current Maturities of Long Term Debts	1,039.35	529.67
	1,111.28	580.07

NOTE NO.11: SHORT TERM PROVISIONS	31.03.2015	31.03.2014
Leave Travel Concession	5.28	8.38
Medical	4.05	6.89
Bonus	4.93	6.06
	14.26	21.33

Note 12 Fixed assets

Tangible assets	Gross block					
	Balance as at	Additions	Disposals	Effect of foreign currency exchange differences	Borrowings cost capitalized	Balance as at
	01/04/2014					31/03/2015
(a) Land						
Freehold	129.00	0.00	0.00	0.00	0.00	129.00
Leasehold *	0.63	0.00	0.00	0.00	0.00	0.63
(b) Buildings - own use	846.30	0.06	0.00	0.00	0.00	846.36
(c) Plant and Equipment - owned	4387.22	20.27	249.24	-12.50	0.00	4145.75
(d) Furniture and Fixtures - owned	55.44	0.00	0.00	0.00	0.00	55.44
(e) Vehicles - owned	85.40	23.53	0.00	0.00	0.00	108.93
(f) Office equipment - owned	37.08	0.83	0.00	0.00	0.00	37.91
(h) Others - Computers	30.80	0.23	0.00	0.00	0.00	31.03
Owned						0.00
Total	5571.87	44.91	249.24	-12.50	0.00	5355.05
Previous year	6384.83	171.86	1029.09	44.27	0.00	5571.87

Notes

1. There is NIL amount under the head acquisitions through business combinations, reclassified as held for sale, Revaluation increase, other adjustments during the year
2. Vehicles includes five vehicles having gross block Rs. 108.94 Lacs held in the name of the managing director.

NOTE NO.13 : NON CURRENT INVESTMENTS	31.03.2015	31.03.2014
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
Quoted equity investments		
Others		
(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
	3.09	3.09

Disclosure: Market Value of Quoted Investments Rs. 3.85 Rs. 3.65

NOTE NO.14: OTHER NON CURRENT ASSETS	31.03.2015	31.03.2014
Advance to Suppliers for Capital goods	11.27	7.27
	11.27	7.27

NOTE NO.15: INVENTORIES	31.03.2015	31.03.2014
Valued at Lower of Cost and net realisable value except stated other wise. (As certified by the Management)		
Raw Material	143.07	144.30
Finished & Semi Finished goods	41.52	59.97
Work in Progress at cost	30.74	22.17
Packing Material at cost	5.26	7.38
Stores and Spares at cost	35.02	32.27
Scrap Materials of Discarded Spares & Stores - Relizable Value	0.00	1.36
	255.60	267.45

NOTE NO.16: TRADE RECEIVABLES			31.03.2015	31.03.2014
Unsecured	<u>31.03.2015</u>	<u>31.03.2014</u>		
			458.47	602.23
(a) Outstanding for more than six months - Considered Good	82.83	96.24		
(b) Other debts	380.05	510.40		
Less: Provision for doubtful debts	4.41	4.41		
			458.47	602.23

NOTE NO.17: CASH AND CASH EQUIVALENT			31.03.2015	31.03.2014
Cash on Hand			11.53	11.43
Balances with Banks				
In Current Account with Scheduled Banks	<u>20014-</u> <u>2015</u>	2013-2014	0.61	1.29
Held with Punjab National Bank PNB	0.23	0.24		
Held with State Bank of Hyderabad	0.39	1.05		
In Fixed Deposits (Held with Punjab National Bank as Margin for Non Fund Based Limits)			28.76	26.58

In EEFC Accounts (Held with Punjab National Bank)		0.77	0.77
		41.66	40.06

NOTE NO.18: SHORT TERM LOANS AND ADVANCES	31.03.2015	31.03.2014
(Unsecured and considered good)		
Advance to Suppliers for Raw Material, Consumables & Services	22.73	29.33
Advances recoverable in cash or in kind or for value to be received	3.69	5.67
	26.42	35.00

NOTE NO.19: OTHER CURRENT ASSETS	31.03.2015	31.03.2014
Pre-Paid expenses	2.31	3.02
TDS Receivables	4.50	7.08
VAT Receivables	76.35	83.69
RG-23-A, RG-23-C & Service Tax Unutilized Balance	8.68	13.10
Export Incentives Receivables	13.81	22.79
Deposits with electricity boards, telephone, PLA etc.	9.40	8.94
	115.05	138.62

NOTE NO.20: REVENUE FROM OPERATIONS	31.03.2015	31.03.2014
Sale of Manufactured Goods - co-extruded tubes	2,577.47	2,802.44
Sale of Scrap	4.70	9.95
Sale of Traded Goods	0.00	4.80
	2,582.17	2,817.20

Disclosure:

1. 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. 85.12 Lacs (Rs.69.85) Lacs.

NOTE NO.21: OTHER INCOME	31.03.2015	31.03.2014
Dividend on shares	0.00	0.14
Interest on Bank Time Deposit & Others	2.86	6.46
Rent Receipt	1.25	1.71
Credit Balances Written Back	0.37	21.87
Export Incentives	8.59	21.31
Miscellaneous Income	6.01	11.26
	19.09	62.74

NOTE NO.22: COST OF MATERIALS CONSUMED	31.03.2015	31.03.2014
POLYETHYLENE		
Opening Stocks	51.49	70.63

Add: Purchases	375.32	394.25
Less : Closing Stocks	24.06	51.49
Consumption	402.75	413.38
POLYPROPLENE		
Opening Stocks	56.00	59.56
Add: Purchases	204.60	204.56
Less : Closing Stocks	67.62	56.00
Consumption	192.98	208.12
MASTER BATCHES		
Opening Stocks	16.28	17.62
Add: Purchases	44.50	53.94
Less : Closing Stocks	19.74	16.28
Consumption	41.04	55.28
LABELS		
Opening Stocks	3.67	4.47
Add: Purchases	171.36	237.23
Less : Closing Stocks	6.56	3.67
Consumption	168.47	238.04
TRADED GOODS		
Opening Stocks	0.00	4.80
Add: Purchases	0.00	0.00
Less : Closing Stocks	0.00	0.00
Consumption	0.00	4.80
INLAND BOUGHT OUT ITEMS		
Opening Stocks	0.00	0.00
Add: Purchases	112.27	103.73
	112.27	103.73
Less : Closing Stocks	0.00	0.00
Consumption	112.27	103.73
OTHER RAW MATERIALS		
Opening Stocks	16.38	22.08
Add: Purchases	103.36	71.58
Less : Closing Stocks	20.39	16.38
Consumption	99.35	77.28
Total Consumption	1,016.85	1,100.63

Disclosure

The sale of inter unit raw materials of Rs. 128.66 Lacs (Rs. 37.63 Lacs) adjusted in cost of materials purchased.

Polypropylene includes in house manufactured caps of Rs.42.49 Lacs (previous year 48.33 Lacs).

NOTE NO.23: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS	31.03.2015	31.03.2014
Opening Finished Goods	59.97	69.97
Closing Finished Goods	41.52	59.97

	18.46	9.99
Opening Work-in-Progress	22.17	39.97
Closing Work-in-Progress	30.74	22.17
	-8.57	17.80
Net (Increase)/Decrease	9.89	27.80

NOTE NO.24 : EMPLOYEE BENEFITS EXPENSES	31.03.2015	31.03.2014
Salaries and Wages including Bonus	367.52	363.65
Contribution to P.F.	15.39	14.32
Employee welfare	3.42	3.86
	386.33	381.83

Disclosure:

The above Salaries and Wages include Directors Remuneration

NOTE NO.25 : FINANCE COST	31.03.2015	31.03.2014
Interest on Term Loan	167.88	172.55
Interest on Working Capitals including acceptances and buyer credits	98.81	95.69
Interest on other borrowings	173.53	170.67
Interest on delayed payment of Sales Tax Deferral	6.59	5.42
Bank Charges	13.56	14.45
Interest on delayed payment of TDS	1.21	1.87
	461.58	460.65

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
	01/04/2014			01/04/2014		31/03/2015	31/03/2015	31/03/2014
(a) Land								
Freehold	0.00	0.00	0.00	0.00	0.00	0.00	129.00	129.00
Leasehold *	0.14	0.01	0.00	0.00	0.00	0.15	0.48	0.49
(b) Buildings - own use	286.21	27.00	0.00	0.00	0.00	313.21	533.15	560.09
(c) Plant and Equipment -	1840.27	218.03	249.24	134.09	0.00	1943.15	2202.60	2412.86

owned								
(d) Furniture and Fixtures - owned	39.31	2.01	0.00	0.03	0.00	41.36	14.08	16.09
(e) Vehicles - owned	34.44	12.69	0.00	0.69	0.00	47.82	61.11	50.27
(f) Office equipment - owned	23.16	3.12	0.00	0.00	0.00	26.28	11.64	13.92
(h) Others – Computers	29.32	1.79	0.00	0.00	0.00	31.11	-0.08	1.48
Total	2252.86	264.64	249.24	134.81	0.00	2403.07	2951.98	3184.20
Add capital work in progress								0.00
Previous year	2785.43	274.91	807.49	134.81	0.00	2387.67	3184.20	

NOTE NO.27 : OTHER EXPENSES	31.03.2015	31.03.2014
A. MANUFACTURING EXPENSES		
Stores & Spares consumed	81.47	110.37
Power & Fuel	142.21	162.62
Repairs to Machinery	11.45	28.45
Packing Material consumed	64.22	71.19
Job work expenses	3.47	7.00
Contract Production Wages	136.60	147.96
	439.42	527.59
B.ADMINISTRATIVE & OTHER EXPENSES		
Rates & Taxes	2.24	2.02
Rent	5.66	2.39
Insurance	5.29	7.09
Payment to Statutory Auditors		
Statutory Audit Fee	2.75	2.20
Quarterly Review fees	0.50	0.30
Reimbursement of expenses	0.46	0.33
Postage	3.12	4.11
Telephone	9.89	11.78
Vehicle running and Maintenance	19.06	24.27
Legal & Professional Charges	18.15	18.54

Penalty of late filing of TDS / TCS Returns	6.51	
Travelling Expenses	37.84	38.21
Miscellaneous Expenditure	23.88	47.25
Debit Balance written off	0.11	9.33
Repairs to Building	2.20	10.56
Repair to other Assets	2.97	4.58
Security Expenses	16.85	15.29
Net Loss on Foreign Currency Transactions	1.84	12.75
	159.31	211.01
C.SELLING AND DISTRIBUTION EXPENSES		
Excise duty and sales tax / VAT	133.56	148.15
Sales Tax Assessment Dues	0.24	18.79
Transportation Expenses	61.68	68.72
Other Sales expenses & discounts	9.54	4.70
	205.01	240.36
	803.74	978.96

NOTE NO.28 PRIOR PERIOD ITEMS INCOME/EXPENSES	31.03.2015	31.03.2014
INCOME		
Excess provision of gratuity and leave encashment written back	18.56	0.00
Excess provision of MA & LTA written back	6.38	0.00
Other income of earlier years	2.45	0.81
	27.39	0.81
EXPENSES		
Excess booking of export incentives written back	5.34	0
Others	6.53	1.39
	11.87	1.39
INCOME/EXPENSES	15.51	-0.58

NOTE NO.29 EXTRA-ORDINARY ITEMS	31.03.2015	31.03.2014
INCOME		
Profit on sale of fixed assets (Net of loss of Rs. 3.44 Lacs)	0.00	177.66
INCOME/EXPENSES	0.00	177.66

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2015 (Amount in Rs.in Lacs)

	PARTICULARS	2014-2015		2013-2014	
A	CASH FLOW FROM OPERATING ACTIVITIES				
i)	Profit/Loss after Tax & Extra Ordinary Items		(326.26)		(167.76)
ii)	Profit on Sale of Assets	-		(177.66)	
iii)	Depreciation & Impairment	264.64		274.91	
iv)	Interest /Financial Charges	461.58		460.65	
v)	Provision for Taxes	-			
vi)	Interest /Dividend Received	-		(0.14)	
	Total		726.23		557.76
	OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES ADJUSTMENT		399.97		390.00
i)	Trade and other Receivables	143.76		(23.44)	
ii)	Change in other current assets	28.14			
iii)	Inventories	11.86		100.62	
iv)	Trade Payable	(24.47)	159.29	(73.04)	4.14
v)	Cash generated from operations		559.26		394.14
vi)	Interest paid/Financial Charges	461.58	461.58	460.65	460.65
	NET CASH FROM OPERATING ACTIVITIES (TOTAL A)		97.68		(66.51)
B	NET FLOW FROM INVESTMENT ACTIVITIES				
i)	Purchase of Fixed Assests	(34.23)		(290.85)	
iii)	Sale of Fixed Assets	-		290.90	
	Sale of Investments	-		0	
iv)	Interest/Dividend Received	-	(34.23)	(0.14)	(0.91)
	NET FLOW FROM INVESTMENT ACTIVITIES [TOTAL B]		(34.23)		(0.91)
C	CASH FLOW FROM FINANCIAL ACTIVITIES				
i)	Proceeds From Long Term Financing	169.29		95.83	
ii)	Proceeds From Short Term Financing	(158.52)		75.29	
iii)	Payment of Long Term Borrowings	(18.00)		(109.76)	
iv)	Payment of Defferal Credits - Net				

)		(11.59)		4.11	
	v)	Deferred payment to Machine Suppliers - Net	(73.02)		23.70	
	vi)	Subsidy from Government Received	30.00			
		NET FLOW FROM FINANCIAL ACTIVITIES [TOTAL C]		(61.85)		41.76
		CLOSING BALANCE [A+B+C]		1.60		(25.66)
		CASH AND CASH EQUIVALENT OPENING BALANCE		40.06		65.72
		CASH AND CASH EQUIVALENT CLOSING BALANCE		41.66		40.06
				1.60		(25.66)

Interest paid / financial charge of Rs. 461.58 Lacs includes Rs.87.98 Lacs on NPA account considered as raising of short term funds. Balance interest not paid on term loans have been considered as long term funds