



**APT PACKAGING LTD**

J-18, MIDC, Chikalthana, Dist. Aurangabad (M.S.) India - 431 006.  
Tel.: + 0091 - 240 - 6642000, 6642002, Fax No. : + 0091 - 240 - 2485027,  
Website : [www.aptpackaging.in](http://www.aptpackaging.in)

To  
**GENERAL MANAGER**  
**DEPARTMENT OF CORPORATE SERVICES**  
**THE STOCK EXCHANGE MUMBAI**  
**1<sup>ST</sup> FLOOR, ROTUNDA BUILDING,**  
**B.S. MARG, DALAL STREET,**  
**FORT MUMBAI – 400 001**

**20.12.2016**

Sub: Annual Report Copies For The Financial Year 2015-16 – Apt Packaging Ltd

Dear Sir/Mam,

As the Six annual Report copies of the above said financial year is already sent to you and as per our application for the credential of Listing Centre has now received and same copy is now uploading herewith.

A meeting of the Members of the Company hold on **Saturday, 24<sup>th</sup> September, 2016 at 11.30 AM** at J-18, MIDC, Chikalthana, Aurangabad -431006 in which approved the Annual Report for the Financial year 2015-16.

This is for your information and records and as per the requirement of the listing agreement.

**Thanking you,**

**Yours Sincerely,**  
**For Apt Packaging Limited**

ARVIND  
KRISHNAGOP  
AL MACHHAR

**Shri. Arvind Machhar**  
**Managing Director**  
**DIN:- 00251843**



**APT PACKAGING LTD**

**BOARD OF DIRECTORS:**

: SHRI. ARVIND MACHHAR	- MANAGING DIRECTOR
: SHRI. SANDEEP MACHHAR	- DIRECTOR
: SHRI. GHEVERCHAND BOTHARA	- DIRECTOR
: SHRI. BALAPRASAD TAPDIYA	- DIRECTOR
: MRS. RUPALI BOTHARA	- DIRECTOR

**AUDITORS** : M/S. RATHI & BANGAD  
Chartered Accountant, Aurangabad

**BANKERS** : PUNJAB NATIONAL BANK

**REGISTERED OFFICE** : J-18, MIDC AREA, CHIKALTHANA  
AURANGABAD – 431006  
Website: <http://www.aptpackaging.in>

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

1. Gut No 72, Village Pharola, Post Beedkin, Tq. Paithan,  
Dist. Aurangabad – 431005 (M.S)
2. Khasra No 529, 5<sup>th</sup> KM Stone, Akbarpur (urd), Laksar –Haridwar  
Road, Laksar,  
Dist. Haridwar (Uttarakhand)

**REGISTERED & TRANSFER AGENT:** M/S. LINK INTIME INDIA PVT LTD  
C-13, PANNALAL SILK MILLS COMPOUND  
L.B.S, MARG BHANDUP (W), MUMBAI – 400078

Website: <http://www.linkintime.co.in>

**Notice of Annual General Meeting**

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the members of **Apt Packaging Limited** will be held on Saturday, 24<sup>th</sup> day of September, 2016 at 11:30 AM at the registered office of the Company situated at J-18, MIDC Area, Chikalthana, Aurangabad - 431006 (MS) to transact the following business:

**ORDINARY BUSINESS**

1. To consider, approve and adopt the Balance Sheet of the Company as on 31<sup>st</sup> March, 2016 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. Sandeep Machhar, who retires by rotation and being eligible to offers himself for re-appointment
3. To ratify the appoint of Auditors of the Company and to fix their Remuneration.

**SPECIAL BUSINESS**

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

**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any, and in supersession of all the earlier resolutions passed in this behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of money on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the company (apart from temporary loans obtained or to be obtained from the company's bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid up capital of the company and its free reserves (that is to say, reserves not set apart for any specific purpose) provided that the total amount of money/ moneys so borrowed by the Board shall not at any point of time exceed the limit of Rs.60 Crore (Rupees Sixty Crore only)

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution."

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

**"RESOLVED THAT**, Considering the professional expertise and vast experience of M/S. Khandelwal Jain & Co, Chartered Accountants, Aurangabad in the field of Income tax, approval be and is hereby granted for engaging the services of M/S. Khandelwal Jain & Co. and also the payment up to Rs.100000/- (Rupees One Lacs Only) as professional fees to M/s. Khandelwal Jain & Co".

**"FURTHER RESOLVED THAT**, Shri Arvind Machhar, Managing Director of the Company be and is hereby authorized to take appropriate actions in this regard and release the fees as approved above."

**By order of the board**



**Place: Aurangabad  
Date: 30.05.2016  
CIN: L24100MH1980PLC022746**

**Mr. Arvind Machhar  
Managing Director  
Din:- 00251843**

**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 20<sup>th</sup>, 2016 to September 24<sup>th</sup>, 2016 (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.
- 7) E-voting Instructions: The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).  
Note for Non – Individual Shareholders and Custodians: Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as

Corporate. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### Explanatory Statement

#### **ITEM NO: 4**

As per the provisions of Section 180(1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the special permission of the shareholders in general meeting, borrow money/ monies in excess of the aggregate of the paid-up capital of the Company and its free reserves. The members have already approved for the borrowings not exceeding Rs. 40 crores on 8<sup>th</sup> February, 2014 by way of postal ballot. The company needs additional borrowings to meet the increasing operations levels, to meet the finance required for fixed assets of Aurangabad and Haridwar unit and to meet the cash losses. These have necessitate additional fund requirement and therefore call for revision of borrowing limits by authorizing the Board of Directors to borrow money/ moneys which may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purposes but not exceeding Rs.60 Crores. In terms of the provisions of Section 188(1) (c) of the Companies Act, 2013 consent of the members of the Company is required by passing a resolution. Accordingly, the Board proposes to seek consent of the members of the Company by passing the aforesaid ordinary resolution.

None of the directors of the company is directly or indirectly concerned or interested in this resolution

#### **ITEM NO: 5**

Sh. G. M. Bothara, an Independent Director of the company is a partner of Khandelwal Jain & Company, Chartered Accountants. Since, Sh. G. M. Bothara is providing professional services to company in a capacity of partner of said CA firm, any remuneration paid to the said firm will be violation of listing agreement. He further added that as per the listing agreement the sanction is required from the Board of Directors and also from the members of the Company in their meeting. Hence, the Board proposes to seek consent of the members of the Company by passing the aforesaid ordinary resolution.

None of the directors of the company is directly or indirectly concerned or interested in this resolution

**By order of the board**



**Mr. Arvind Machhar**  
**Managing Director**  
**Din:- 00251843**

**Place: Aurangabad**  
**Date: 30.05.2016**  
**CIN: L24100MH1980PLC022746**

**DIRECTORS' REPORT**

To,  
The Members of  
Apt Packaging Limited  
Dear Shareholders

The Directors are pleased to present Thirty Sixth Annual Report on the performance of the company for the financial year ended on 31<sup>st</sup> March'2016.

**1. FINANCIAL HIGHLIGHTS (Rs in Lacs)**

PARTICULARS	YEAR ENDED ON 31.03.2016	YEAR ENDED ON 31.03.2015
Sales and other Income	3160.66	2,601.26
<b>Less:</b> Operating Expenses	2483.09	2216.81
Profit before Interest and Depreciation	677.57	384.45
<b>DEDUCTIONS</b>		
Interest	359.98	461.58
Depreciation & Impairment	257.63	264.64
<b>Operational Profit before Tax</b>	59.97	-341.77
Previous Year Income / Expenses	180.51	15.51
Net Profit / (Loss)	241.00	-326.26
Extra ordinary items – Profit on Sale of Fixed Assets	0.29	0.00
Income Tax	0.00	0.00
<b>NET PROFIT FOR THE YEAR</b>	240.76	-326.26

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

During the year under review 533.98 Lacs tubes were dispatched as compared to the previous year dispatches of 430.28 Lacs tubes. The sales and other income has increased to Rs. 3160.66 Lacs as against Rs. 2601.26 Lacs in the previous year. The increase is due to increased capacity utilization of Laksar plant and higher exports. The management efforts to decrease the overall cost and the reduction of interest by Banks have resulted into improving our Bottom Line.

**3. MATERIAL CHANGES:-**

During the period from 01.04.2016 to 30.05.2016 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 31<sup>st</sup> March, 2016.

**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.

**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 Annual General Meeting held on 23<sup>rd</sup> August, 2014 of the company as per Companies Act 2013.

**9. AUDITORS' OBSERVATIONS:**

**Refer Point No.1(a & b)** of the Auditors Report: *The financial statements which indicate that the company has financial losses and its net worth has been substantially eroded i.e 98.83% (loss Rs. 573.63 Lacs and share capital Rs. 580.40 Lacs) without considering the impact of change in accounting policy(Refer Note No.36). The financial statements of the company have been prepared on going concern basis, as the Company has once again (Previously declared on 16.06.2011) declared as a "Sick Industrial Company" by the Board for Industrial and Financial Reconstruction (BIFR) as per hearing held on 10-10-2013 vide their order dated 20-11-2013 (Refer Note No. 34).*

**Refer Point No.1(c)** of the Auditors Report: *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. Sale Tax (VAT & CST), Excise & Service tax deposits/balance, income tax, subject to confirmations, reconciliation and consequent adjustment, if any. (Refer Note No.38)*

**Refer Point No.2** of the Auditors Report: *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. Sale Tax (VAT & CST), Excise & Service tax deposits/balance, income tax, subject to confirmations, reconciliation and consequent adjustment, if any. (Refer Note No.38)*

**Refer Point No.3** of the Auditors Report: *The Company has changed its accounting policy in respect of payment of interest etc. to the Central Government, State Government, local authority etc. from accrual basis to cash basis i.e.the same will be accounted for on payment basis instead of accrual basis.*

**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 equipment; 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.667.98 Lacs for the year under review, whereas the outgo is Rs.475.02 Lacs.

**10. 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 regularized Additional Director Mrs. Rupali Bothara to Director position and accordingly the change in designation has intimated to ROC

**Appointment:-** During the year company has re-appointed Mr. Arvind Machhar, as a Managing Director of the Company as per resolution passed in the meetings of the members held dated on 19<sup>th</sup> Sept-2015

**Re-appointment :-** During the year Shri G. M. Bothara director of the company was retiring by rotation and being eligible to offer himself for re-appointment. The Board re-appoint him and in current year Shri Sandeep Machhar is going to retire by rotation and board recommend his re-appointment on the board.

**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.

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

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

**13. 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.

**14. NOMINATION AND REMUNERATION COMMITTEE:-**During the year Company has established one remuneration committee for fixing the remuneration package of directors & employee dated on 01<sup>st</sup> July, 2015.

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

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

**17. 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.

**18. RISK MANAGEMENT POLICY:-**

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

**19. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- Applicable accounting standards have been followed with explanation for any material departures
- Selected accounting policies have been applied consistently to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- The annual accounts are prepared on a going concern basis; and
- 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.
- 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.

**20. 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.

**By order of the board**

Place: Aurangabad  
Date: 30.05.2016  
CIN: L24100MH1980PLC022746

  
Mr. Arvind Machhar  
Managing Director  
Din:- 00251843

  
Mr. Sandeep Machhar  
Director  
DIN:- 00251892

## ANNEXURE TO DIRECTORS' REPORT

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2016

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

**Registration And Other Details:-**

**CIN** : L24100MH1980PLC022746  
**Registration Date** : 24.06.1980  
**Name of the Company** : APT Packaging Limited  
**Category** : Public company  
**Sub-Category** : Company Limited by shares  
**Address** : J-18, MIDC, Chikalthana, Aurangabad – 431006  
**Whether listed company** : Yes (But presently Suspended due to procedural Formalities)

Name, Address and Contact details of Registrar and Transfer

Agent

: M/s. Link Intime India Private Limited,  
 C-13, Pannalal, Silk Mills Compund, LBS Marg,  
 Bhandup (W) Mumbai – 400078  
 Website: <http://www.linkintime.co.in>

**Principal Business Activities Of The Company** : Co-extruded Tube  
**Particulars Of Holding Companies** : Nil  
**Subsidiary Companies** : Nil  
**Associate Companies Limited** : 1) Machhar Industries Limited 2) Race Course Capital Markets  
**Share Holding Pattern** : As per BSE & MCA Data Base & Annual Report Attached  
**Indebtedness** : As per Annual Report Attached  
**Remuneration of Directors And Key Managerial Personnel** : As per Corporate Governance Report & Annual Report attached  
**Penalties / punishment/ compounding of Offences** : NIL



SHRI ARVIND MACHHAR  
 MANAGING DIRECTOR  
 DIN:- 00251843

PLACE –AURANGABAD  
 DATE- 30.05.2016



SHRI SANDEEP MACHHAR  
 DIRECTOR  
 DIN:-00251892



**SECRETARIAL AUDIT REPORT**

(For the period from 01.04.2015 to 31.03.2016)  
 [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 31.03.2016, 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 31.03.2016 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.

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;  
**We are unable to comment on the "Register of Members" as well as "Distributing of Shareholding" as of 31<sup>st</sup> March 2016 as the same has not made available to us for verification. It is informed and explained by the management to us that, there is minor change in the same which does not impact the shareholding pattern of major shareholders. Further, the Registrar and Transfer agent is not furnishing the desired details hence, the figures as on 31<sup>st</sup> March 2015 be considered as figure as of 31<sup>st</sup> March 2016 and accordingly the figures are reported in the financial statements (Refer Note No.43)**
- 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; **Company has not filed yet its Annual return in Form MGT -7 and Balance Sheet in Form AOC-XBRL for the financial year 2014-15.**
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;

During the year under review company has timely serve the documents to its Members, Auditors.

e) notice of Board meetings and Committee meetings of Directors

During the year under review company has timely serve the notices of its Board Meeting and Committee meetings to its Directors.

f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;

During the year under review company has not passed any resolution by way of resolution passed by circulation.

g) the Annual General Meeting;

During the year under review company has hold its 35<sup>th</sup> Annual General Meeting on 19<sup>th</sup> September, 2015.

h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;

During the year under review company has maintained sufficient record of its minutes of proceedings of General Meetings and Board Meeting and Committee meeting in soft as well as hard copies too.

i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

During the year under review company has taken approvals of the Directors, Members and Committee Members for :-

1. Regularization of Director, Mrs. Rupali Bothara and
2. Re-appointment of Managing Director Mr. Arvind Machhar

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;

During the year under review company has constituted sufficient number of independent Directors on their Committee meeting as per the Companies Act 2013.

k) payment of remuneration to Directors including the Managing Director and Whole time Directors,

During the year under review company has paid remuneration to its Managing Directors Mr. Arvind Machhar Gross Rs.2,91,000/- and all other directors by way of Sitting fees.

l) appointment and remuneration of Auditors and Cost Auditors;

During the year under review company has not appointed any Person, Firm as a Cost Auditor or Auditor of the company other than ratification of existing auditor.

m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;

During the year under review on behalf of company its authorized Registrar & Transfer Agent M/s Link Intime India Pvt Ltd, Mumbai has maintained records of Transfer & Transmission of Shares and issued and dispatched duplicate Certificate of shares, we have not physically verified the location but verified the hard copy authenticated by R&T agent .

n) declaration and payment of dividends;

During the year under review company has not declare or paid any dividend to its Members.

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;

There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company as the company's net worth is negative and no dividend has been declared since long.

p) borrowings and registration, modification and satisfaction of charges wherever applicable;

During the year under review company has not Create, Modified and Satisfy any charge of the assets.

q) investment of the Company's funds including investments and loans to others;

During the year under review company has not made any new investment and given any loan 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 /re-materialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

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 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 **except:**

- a. *not having whole time company secretary,*
- b. *not furnishing of shareholding pattern, Certificates with related documents to BSE,*
- c. *not designated any officer of the finance department as a "Key Managerial Personnel ",*

submission of extract of annual return in Form No MGT-9 and distribution of shareholding considered in as on 31.03.2015 instead of as on 31.03.2016 as stipulated in clause 49 of the said Listing Agreement

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 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.

Date : 15.06.2016



Place : Aurangabad

**“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:

**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.

**ATTENDANCE 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	6	1
Shri Sandeep Machhar	6	1
Shri G. M. Bothara	6	1
Shri B.H. Tapdiya	6	1
Mrs. Rupali Bothara	6	1

**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: 30<sup>th</sup> May 2015 (2) 14<sup>th</sup> August, 2015 (Adj 19<sup>th</sup> August, 2015) (3) 7<sup>th</sup> November, 2015 (5) 15<sup>th</sup> February, 2016 (6) 28<sup>th</sup> March, 2016

**AUDIT COMMITTEE**

During the financial year 2015-16, four meetings were held on the following dates:

(1) 24<sup>th</sup> May 2015 (2) 14<sup>th</sup> August, 2015 (Adj 18<sup>th</sup> Aug, 2015) (3) 6<sup>th</sup> November, 2015 (4) 14<sup>th</sup> February 2016.

**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	Four

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

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

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 19<sup>th</sup> Sept, 2015.

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

To review the Company's financial reporting process and its financial statements.

To review the accounting and financial policies and practices.

To review the efficiency of the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.

To review reports furnished by the internal and statutory auditors and ensure that suitable follow-up action is taken.

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.

**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

Asst Manager (Accounts) of the Company is the secretary of the committee.

During the financial year 2015-2016, one meeting was held on 1<sup>st</sup> July, 2015 which was attended by Shri G. M. Bothara and Shri B. H. Tapdiya as the members of the committee.

**REMUNERATION PACKAGE DETAILS**

Details of remuneration paid/payable to directors for the year ended March 31, 2016 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.	Commission on Rs.	Total
Shri Arvind Machhar	Related to Shri Sandeep Machhar	Promoter	NIL	Nil	21,92,000	Nil	21,92,000

Shri Sandeep Machhar	Related to Shri Arvind Machhar	Promoter	Nil	6,000	Nil	Nil	6,000
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
Mrs. Rupali Bothara	None	Professional	Nil	10,000	Nil	Nil	10,000

**SHAREHOLDERS GRIEVANCE 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

Asst. Manager (Accounts) 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 looking after day to day working related to transfer of shares, correspondence with the shareholders, SEBI, Exchanges etc.

The said committee administers the following activities:-

To look into and supervise the redress of shareholders'/investors' complaints like transfer of shares, transmission of shares, issue of Duplicate share certificates, change of address, change of status, change of name, transposition of shares, copy of balance sheet etc. To consider and approve transfer of shares, dematerialization of shares, deletion of name, splitting and consolidation of shares etc. To delegate any of its responsibilities to any officer of the company or to R & T agents and to supervise the proper exercise of delegated powers.

During the financial year 2015-2016, one meeting was held on 1<sup>st</sup> July, 2015 which was attended by all the members of the committee.

**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 Third	10/08/2013	11.30 am	J-18, MID Area, Chikalthana, Aurangabad – 431 006	One
EOGM	08/02/2014	11.00 am	J-18, MID Area, Chikalthana, Aurangabad – 431 006	Two
Thirty Fourth	23/08/2014	11.30 am	J-18, MID Area, Chikalthana, Aurangabad – 431 006	Two
Thirty Fifth	19/09/2015	11.00 am	J-18, MID Area, Chikalthana, Aurangabad – 431 006	One

All the special resolutions indicated above were passed by show of hands as they are ordinary Special Resolutions. No Resolution Passed through postal ballot during the year, presently company does not have any transaction/proposal for postal ballot

**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 31<sup>st</sup> March, 2016.

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.

**NOTE ON DIRECTORS APPOINTMENT/RE-APPOINTMENT**

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

In upcoming AGM Shri Sandeep Machhar is going to retire by rotation and being eligible offers himself to re-appoint. He is Industrialist having vast knowledge of Business.

**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.

**GENERAL SHAREHOLDER INFORMATION**

Annual General Meeting

\* Date, Day and Time : Saturday, September 24<sup>th</sup>, 2016 at 11.30 AM

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

**FINANCIAL CALENDER**

The financial year of the company is April, 2015 to March, 2016.

Financial reporting for

- Quarter ending June 30, 2015	: Third week of August, 2015
- Half year ending September 30, 2015	: First week of November, 2015
- Quarter ending December 31, 2015	: Third week of February, 2016
- Year ending March 31, 2016	: Last Week of May, 2016

**ANNUAL GENERAL MEETING**

For the year ending March 31, 2015 : September 19<sup>th</sup>, 2015

Date of book closure : September 15<sup>th</sup>, 2015 to September 19<sup>th</sup>, 2015 (Both days inclusive)

Dividend Payment Date : No dividend is declared for the year

Listing of Equity Shares on Stock Exchange:

- The Stock Exchange, Mumbai, 1st Floor, Rotunda Building, B.S. Marg, Fort Mumbai – 400001

Annual listing fees matter and Compliances thereof are yet to be discussed with Stock Exchange which is in progress

Scrip Code: The scrip 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)

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.

Registrar and Transfer Agents: M/S LINK INTIME INDIA PVT. LIMITED-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](mailto:sharad.patkar@linkintime.co.in)

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 affected 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.

Distribution of Shareholding as on 31<sup>st</sup> March, 2016 is as given below:

Slab of Shareholding	Shareholders	% to total	Shares	% to total
Up to 500	9970	97.8314	7140040	13.5653
501 to 1000	100	0.9813	682280	1.2963
1001 to 2000	43	0.4219	653100	1.2408
2001 to 3000	14	0.1374	354360	0.6732
3001 to 4000	9	0.0883	313700	0.5960
4001 to 5000	5	0.0491	227080	0.4314
5001 to 10000	10	0.0981	693060	1.3167
10001 and above	40	0.3925	42571050	80.8802
TOTAL	10191	100.00	5263467	100.00

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 31/03/2016, 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.

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

Plant Locations: The Companies plant for co-extruded tube is located at Gut No. 72, Village Pharola, Tq. – Paithan, Dist. – Aurangabad (MS) – 431 105 & Khasra No 529, 5<sup>th</sup> KM stone, AkabarpurUrd, Laksar - Haridwar Road, Laksar, Dist – Haridwar, (UTTARAKHAND)

Address for correspondence:

M/s Apt Packaging Limited

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

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

Email ID : [csoffice@aptpackaging.in](mailto:csoffice@aptpackaging.in) Website : [www.aptpackaging.com](http://www.aptpackaging.com)

Exclusive e-mail ID for redresses of investors complaints Email ID: [investors@aptpackaging.in](mailto:investors@aptpackaging.in)

## MANAGEMENT DISCUSSION & ANALYSIS REPORT INDUSTRIES STRUCTURE AND DEVELOPMENT

The demand of co-extruded Tubes manufactured by the company particularly in tax free zone has increased due to increase in demand of Patanjali and other located in tax free zone of Uttarakhand and Himachal Pradesh. This has resulted in higher capacity utilization at our plant in Laksar and thus has improved our top and bottom line.

Our participation in the International Exhibitions and increased marketing efforts in overseas market has resulted in increase in exports.

### Opportunities and Threats:

The depreciation of Rupee vs Dollar and decrease in Raw material prices offers a good opportunity for export of Company's product. However increased competition and depressed domestic and international market conditions owes a pressure on maintaining the profit margin.

### Risks and Concern:

Ever changing customer's behavior and volatility in the Raw Materials prices is a matter of concern.

By order of the board

Place: Aurangabad  
Date: 30.05.2016  
CIN: L24100MH1980PLC022746

  
Mr. Arvind Machhar  
Managing Director  
Din:- 00251843

  
Mr. Sandeep Machhar  
Director  
DIN:- 00251892

## AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE

The member's of Apt Packaging 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 2016.

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

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

Based on such review in our opinion the company has complied with the conditions of Corporate Governance *except*

- d. not having whole time company secretary,*
- e. not furnishing of shareholding pattern with related documents,*
- f. not designated any officer of the finance department as a "Key Managerial Personnel ",*
- g. submission of extract of annual return in Form No MGT-9 and distribution of shareholding considered in as on 31.03.2015 instead of as on 31.03.2016 as stipulated in clause 49 of the said Listing Agreement.*

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

Date: 30 / 05 / 2016  
Place: Aurangabad

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



Dilip D. Jain  
Proprietor  
M. No. 044301

**INDEPENDENT AUDITORS' REPORT**

To the Member of APT Packaging Limited

**Report on the Financial Statements**

We have audited accompanying financial statements of APT Packaging Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit & Loss, and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

**Management' Responsibility for the Financial Statements**

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 statements are free from material misstatement.

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 financial 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 an 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 to the best of our information and according to the explanations give to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2016 and its profit 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.

1.

- a. *The financial statements which indicate that the company has financial losses and its net worth has been substantially eroded i.e 98.83% (loss Rs. 573.63 Lacs and share capital Rs. 580.40 Lacs) without considering the impact of change in accounting policy(Refer Note No.36). The company has not incurred net loss/net cash loss during the year under consideration (Earned net profit of Rs.240.76Lacs substantially due to concessions and reliefs given in the line of rehabilitation scheme by the Punjab National Bank) and was incurred net cash loss of Rs. 61.62 Lacs in the financial year immediately preceding to the current year. The Company's current liabilities of Rs. 1,463.99 Lac exceeded the current asset of Rs. 1,032.19 Lacs as at the balance sheet date. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a Going Concern. However, the financial statements of the company have been prepared on going concern basis, as the Company has once again (Previously declared on 16.06.2011) declared as a "Sick Industrial Company"*



- by the Board for Industrial and Financial Reconstruction (BIFR) as per hearing held on 10-10-2013 vide their order dated 20-11-2013 (Refer Note No. 34).
- b. 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 Industrial Company" 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 by the said order of BIFR. (Refer Note No 35)
  - c. 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. Sale Tax (VAT & CST), Excise & Service tax deposits/balance, income tax, subject to confirmations, reconciliation and consequent adjustment, if any. (Refer Note No.38)
2. The Company has changed its accounting policy in respect of payment of interest etc. to the Central Government, State Government, local authority etc. from accrual basis to cash basis i.e.the same will be accounted for on payment basis instead of accrual basis. Due to this change in accounting policy the company has not provided for the interest payable to state government for delay in depositing installments due of sales tax deferral repayment and delay in depositing Tax Deducted at Source to the Central Government, in totality amounts to Rs.9.75Lacs having consequential impact on the financial statement of the company which is as under (Refer note No.36):
    - The profit of the company for the year under consideration has been overstated by Rs.9.75Lacs.
    - The Reserve and Surplus stated at Rs.1154.03 Lacs Instead of Rs. 1163.78 Lacs.
    - The Current liability stated at Rs. 1463.99 Lacs instead of Rs. 1473.74 Lacs.
  3. We are unable to comment on the "Register of Members" as well as "Distributing of Shareholding" as of 31<sup>st</sup> March 2016 as the same has not made available to us for verification.  
It is informed and explained by the management to us that, there is minor change in the same which does not impact the shareholding patten of major shareholders. Further, the Registrar and Transfer agent is not furnishing the desired details hence, the figures as on 31<sup>st</sup> March 2015 be considered as figure as of 31<sup>st</sup> March 2016 and accordingly the figures are reported in the financial statements (Refer Note No.43).

#### Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Company Act 2013, 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.
- B. As required by Section 143(3) of the Act, we report that:
  - a) 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. 1.c.and 3 under the Emphasis of Matter paragraph.
  - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid financial statements have been kept by the company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
  - e) The going concern matter described in sub paragraph (1.a.) under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - f) On the basis of the written representations received from the directors of the Company as on 31 March, 2016 taken on record by the Board of Directors of the Company none of the directors of the company is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g) 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 explanations given to us:
    - h) The company disclosed the impact of the pending litigations by way of notes under contingent liabilities and not incorporated the impact of the same in its financial statements (Refer Note 32 & 33).
    - i) The company did not have any material foreseeable losses on long-term contracts including derivate contracts.
    - j) There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company as the company's net worth is negative and no dividend has been declared since long.

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



Dilip D. Jain  
Proprietor  
M. No. 044301

Date: 30 / 05 / 2016  
Place: Aurangabad

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT****(Report on Other Legal and Regulatory Requirements PART-"A")**

**APT PACKAGING LIMITED** ("the Company") on the financial statements for the year ended 31<sup>st</sup> March 2016.

**1) Fixed Assets:**

- 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 programme 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. As per the information and records made available, the title deeds of immovable properties are held in the name of the company except for Plot no. J.17, Maharashtra Industrial Development Corporation(MIDC), Chikalthana, Aurangabad for which Lease deed with MIDC is under process.
- d. As per the information and records made available to us all movable properties are held in the name of the company on 31.03.2016 except some of the vehicle which are held in the name of the director/Ex-director as mentioned below.

<b>Owner</b>	<b>Cost</b>	<b>Acc. Dep</b>	<b>WDV</b>
Director	82.44	37.49	44.96
Ex-Director	4.83	1.38	3.45
<b>Total</b>	<b>87.27</b>	<b>38.86</b>	<b>48.41</b>

**2) Inventory:**

- 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 at regular intervals 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.

**3) Loans and Advances Given:**

According to the information and explanations given by the management, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.

**4) Loans, Investments, and Guarantees:**

In our opinion and according to the information and explanations given to us, the company has not made any loans, investments, guarantee and security according to the provisions of Sec 185 & 186 of the Companies Act, 2013. However, In view of 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 cutoff date i.e. 01.04.2007 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 31.03.2016 on account of Sales tax deferral.

**5) Deposits:**

According to the information and explanations given by the management, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder with regard to the deposits accepted from the public are not applicable to the company.

*As per information and explanations given by the management to us, the company has accepted Inter Corporate Deposit (ICD) from Non-Group Companies and from Group Companies to maintain the balance according to the terms and conditions stipulated by the banker and information related to those deposits are as mentioned below;*

- a. *The company has accepted Rs.20.00 Lacs Inter Corporate Deposit (ICD) from Non Group Companies and also repaid Rs.326.63 Lacs to Non Group Companies against ICD including Rs. 64.68 Lacs as interest on ICD. The Outstanding balance as on 31.03.2016 is Rs. 461.09 Lacs.*
- b. *During the year under consideration, the company has not accepted any Inter Corporate Deposit (ICD) from Group Companies. The company repaid Rs. 7.86 Lacs to Group Companies against ICD including a certain portion of interest on deposits. Total interest provided during the financial year against ICD from Group Companies is Rs. 8.90. The outstanding balance as on 31.03.2016 is Rs.128.35 Lacs*
- c. *The company has accepted Rs. 241.37 Lacs from the Directors / Promoters and also repaid Rs. 155.92 Lacs to them. Interest credited during the year under consideration is Rs. 84.53 Lacs. The outstanding balance as on 31.03.2016 is Rs.859.04 Lacs*
- d. *According to the information and explanations given to us all deposits are interests bearing and total interest on deposits of Rs.158.12 Lacs (Rs. 73.59 Lacs to ICD and Rs.84.53 Lacs to Director / Promoters) is provided during the year under consideration.*

*There is no stipulation period for repayment of these deposits and the terms and conditions of these deposits are not prejudicial to the interest of the company.*

**6) Cost Records**

In our opinion and according to information and explanation given by the management, the maintenance of cost records under Sec 148 (1) of the Companies Act, 2013 is not applicable to the company as on overall turnover from all its product and services is below than rupees thirty five crore during the immediate preceding financial year.

**7) Statutory dues**

- a. According to the records of the company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, customs, excise duty, income tax, sales tax, investors education and protection fund, Service Tax, Custom Duty Cess, value added tax, cess and other statutory dues applicable except Rs. 39.49 Lacs. The statements of Arrears of Statutory dues outstanding for more than six months are as follows;

<b>Type of Taxes</b>	<b>Amount in Lacs</b>
Property Tax	0.70
Sale Tax	0.02
Sale Tax Deferment Dues	32.30
Works Contract Tax	0.41
Tax Deducted at Source	6.06

- b. As at 31<sup>st</sup> March 2016 according to the records of the company, the following are the particulars of disputed dues have not been deposited:-

<b>Name of Statute</b>	<b>Disputed Liability in Rs.</b>	<b>Forum where dispute is pending</b>
<i>Sales Tax Govt. of Maharashtra – Setoff Disallowance for 2006-2007 and interest thereon (2.25 Lacs + 2.22 Lacs).</i>	<b>04.47 Lacs</b>	<i>Sales Tax Authority, Aurangabad (Appeal Dt. 01.10.2014)</i>
<i>Sales Tax Govt. of Uttarakhand</i>	<b>0.28 Lacs</b>	<i>Sales Tax Authorities,</i>

<i>Sales Tax Govt. of Maharashtra – Setoff Disallowance for 2008-2009 and interest thereon &amp; penalty (0.51 Lacs + 0.16 Lacs + 0.27 Lacs).</i>	<b>0.94 Lacs</b>	<i>Haridwar Sales Tax Authority, Aurangabad (Appeal Dt. 28.05.2013)</i>
<i>Income Tax – Carried Forward Unabsorbed Depreciation of Rs. 1354.42 Lacs for A.Y.2010-2011</i>	<b>00.00</b> (Being Loss Return)	<i>Commissioner of Income Tax Appeals, Aurangabad.</i>
<i>Tax Deducted at Source</i>	<b>12.20 Lacs</b> and Interest thereon.	<i>Before Assessing officer, Aurangabad.</i>
<i>Income Tax – Bad Debts disallowed of Rs. 111.43 Lacs for A. Y. 2010-2011</i>	<b>00.00</b> (Being Loss Return)	<i>Income Tax Appellant Tribunal- Pune Bench</i>

- 8) Based on our Audit procedures and on the information and explanations given by the management in our opinion, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders as at balance sheet date.
- 9) According to the records of the Company, information and explanation given to us, there was no public offer or further public offer for the year under consideration. The company has obtained term loans during the year under audit and the same were applied for the purpose for which they are raised. As far as inter-corporate loans / deposits are concerned, the terms did not specify the tenure of the loans / deposits hence unable to comment about long term advances / short term advances. The company has shown the same as long term loans / deposits.
- 10) 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.
- 11) According to our information and explanation the company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sec197 read with Schedule V to the Companies Act and accordingly it has been disclosed in the financial statements.
- 12) In our opinion and according to the information and explanation given to us by the management, the Company is not a Nidhi company and hence the requirements under the Nidhi Rules, 2014 are not applicable.
- 13) In our opinion and according to the information and explanation given to us by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- 14) In our opinion and according to the information and explanation given to us by the management, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under consideration.
- 15) In our opinion and according to the information and explanation given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- 16) In our opinion and according to the information and explanation given to us by the management, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence no registration is obtained.

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



Dilip D. Jain  
Proprietor  
M. No. 044301

Date:30 / 05 / 2016  
Place: Aurangabad

**APT PACKAGING LIMITED**  
**BALANCE SHEET AS AT 31.03.2016**

			Rs. In Lacs	
		NOTE	As at 31.03.16	As at 31.03.15
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1)</b>	<b>SHAREHOLDER'S FUNDS</b>			
	a) Share Capital	3	580.40	580.40
	b) Reserves and surplus	4	-1,154.03	-1,394.79
			<b>-573.63</b>	<b>-814.39</b>
<b>2)</b>	<b>NON-CURRENT LIABILITIES</b>			
	a) Long Term Borrowings	5	2,846.31	2,322.71
	b) Deferred Tax Liabilities	6	0.00	0.00
	c) Long Term Provision	7	51.63	50.49
			<b>2,897.94</b>	<b>2,373.20</b>
<b>3)</b>	<b>CURRENT LIABILITIES</b>			
	a) Short Term Borrowings	8	660.49	732.33
	b) Trade Payables	9	446.29	446.86
	c) Other Current Liabilities	10	339.12	1,111.28
	d) Short Term Provision	11	18.09	14.26
			<b>1,463.99</b>	<b>2,304.73</b>
	<b>TOTAL</b>		<b>3,788.30</b>	<b>3,863.55</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	(a) Fixed Assets	12		
	i) Tangible Assets		2,744.63	2,951.98
	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	8.39	11.27
			<b>2,756.11</b>	<b>2,966.34</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	a) Inventories	15	255.83	255.60
	b) Trade Receivables	16	551.35	458.47
	c) Cash and Cash Equivalents	17	34.44	41.66
	d) Short Term Loans and advances	18	37.24	26.42
	e) Other Current Assets	19	153.33	115.05
			<b>1,032.19</b>	<b>897.20</b>
	<b>TOTAL</b>		<b>3,788.30</b>	<b>3,863.54</b>

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD



DILIP JAIN --PROPRIETOR- M. NO 044301  
PLACE --AURANGABAD  
DATE- 30.05.2016

FIRMS REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS



SHRI ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843



SHRI SANDEEP MACHHAR  
DIRECTOR  
DIN:-00251892


**APT PACKAGING LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016**

				<b>Rs. In Lacs</b>
		<b>NOT E</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>I</b>	<b>REVENUE</b>			
	Revenue from Operations	20	3,122.23	2,582.17
	Other Income	21	38.43	19.09
	<b>TOTAL REVENUE</b>		<b>3,160.66</b>	<b>2,601.26</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed	22	1,155.31	1,016.85
	Changes in Inventories of Finished Goods and Work-in-Progress	23	-1.03	9.89
	Employee Benefits Expenses	24	363.27	386.33
	Finance Cost	25	359.98	461.58
	Depreciation and Amortization Expenses	26	257.63	264.64
	Other Expenses	27	965.55	803.74
	<b>TOTAL EXPENSES</b>		<b>3,100.70</b>	<b>2,943.03</b>
<b>III</b>	<b>Profit / (Loss) Before Exceptional &amp; Extraordinary Items and Tax</b>		<b>59.97</b>	<b>(341.77)</b>
	Prior Period Income/(Expenses)	28	180.51	15.51
<b>IV</b>	<b>Exceptional Items - Profit on sale of Fixed Assets</b>	29	0.29	0.00
<b>V</b>	<b>Profit / (Loss) Before Tax</b>		<b>240.76</b>	<b>(326.26)</b>
<b>VI</b>	<b>Tax Expenses</b>		-	-
<b>VII</b>	<b>Profit / (Loss) After Tax for the Year</b>		<b>240.76</b>	<b>(326.26)</b>
<b>VII</b>	<b>Earnings Per Share:</b>			
<b>I</b>	Par Value per Share Rs.10/-			
	a) Basic		4.57	-6.20
	b) Diluted		4.57	-6.20
<b>VII</b>	<b>Earnings Per Share: Without Extraordinary Profit/Loss</b>			
<b>I</b>	Par Value per Share Rs.10/-		1.14	-6.49
	a) Basic		1.14	-6.49
	b) Diluted			
<b>Refer Accompanying Notes to Financial Statements</b>				
	Significant Accounting Policies	1		
	Notes to Accounts	2		


AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD



SHRI ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843



DILIP JAIN –PROPRIETOR- M. NO 044301  
PLACE –AURANGABAD  
DATE - 30.05.2016



SHRI SANDEEP MACHHAR  
DIRECTOR  
DIN:-00251892

FIRMS REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2016**  
**Lacs)****(Amount in Rs. in**

	<b>PARTICULARS</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
i)	Profit/Loss after Tax & Extra Ordinary Items	<b>240.76</b>	<b>(326.26)</b>
ii)	Profit on Sale of Assets	(0.29)	-
iii)	Depreciation & Impairment	257.63	264.64
iv )	Interest /Financial Charges	359.98	461.58
v)	Provision for Taxes	-	-
vi )	Interest /Dividend Received	(0.14)	-
	<b>Total</b>	<b>617.18</b>	<b>726.23</b>
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES ADJUSTMENT</b>	<b>857.94</b>	<b>399.97</b>
i)	Trade and other Receivables	(92.87)	143.76
ii)	Change in other current assets	(46.22)	28.14
iii)	Inventories	(0.24)	11.86
iv )	Trade Payable	(14.56)	(24.47)
v)	Cash generated from operations	<b>704.06</b>	<b>559.26</b>
vi )	Interest paid/Financial Charges	359.98	461.58
	<b>NET CASH FROM OPERATING ACTIVITIES (TOTAL A)</b>	<b>344.08</b>	<b>97.68</b>
<b>B</b>	<b>NET FLOW FROM INVESTMENT ACTIVITIES</b>		
i)	Purchase of Fixed Assets	(48.05)	(34.23)
iii)	Sale of Fixed Assets	0.29	-
	Sale of Investments	-	-
iv )	Interest/Dividend Received	(0.14)	-
	<b>NET FLOW FROM INVESTMENT ACTIVITIES [TOTAL B]</b>	<b>(47.91)</b>	<b>(34.23)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
i)	Proceeds From Long Term Financing	56.20	169.29
ii)	Proceeds From Short Term Financing	(71.85)	(158.52)
iii)	Payment of Long Term Borrowings	(197.00)	(18.00)
iv )	Payment of Defferal Credits - Net	(7.20)	(11.59)
v)	Deferred payment to Machine Suppliers - Net	(83.56)	(73.02)
vi )	Subsidy from Government Received	-	30.00
	<b>NET FLOW FROM FINANCIAL ACTIVITIES [TOTAL C]</b>	<b>(303.40)</b>	<b>(61.85)</b>
	<b>CLOSING BALANCE [ A+B+C ]</b>	<b>(7.23)</b>	<b>1.60</b>
	CASH AND CASH EQUIVALENT OPENING BALANCE	41.66	40.06
	CASH AND CASH EQUIVALENT CLOSING BALANCE	34.44	41.66
		(7.23)	1.60
	<b>Difference</b>	<b>(0.00)</b>	<b>0.00</b>

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD



SHRI ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843



DILIP JAIN –PROPRIETOR- M. NO 044301  
DATE - 30.05.2016  
FIRMS REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS



SHRI SANDEEP MACHHAR

PLACE –AURANGABAD  
DIRECTOR  
DIN:-00251892

## **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS**

### **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 once again registered as a Sick Industrial 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. Meanwhile Punjab National Bank (PNB) granted the reliefs and concession as per draft rehabilitation scheme. Accordingly the result for last quarter includes the said reliefs and concession. 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 Bombay Stock Exchange.

### **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 interest payable on government dues (Refer Note No.34) and 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 recognized 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. The depreciation is provided based on useful life of the assets as prescribed in Part C of Schedule II of Companies Act, 2013 except in respect of the "Plant and Machineries" ( Class of Assets), whereas useful life is different than those prescribed in Part C of Schedule II.

For that class of assets, useful life of the assets has been estimated based on independent technical evaluation carried out by an external valuer competent to do such valuations. The Management believes that the useful life for the class of assets as mentioned above now represent the fair estimate of useful life 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. However the useful life of the assets purchased in financial year 2015-2016 has been applied as per Part C of Schedule II of the Companies Act 2013.

The depreciation for assets purchased / sold during the period is proportionately charged. The useful lives and residual values of tangible assets are reviewed periodically including at each financial year end.

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

iv) Depreciation on assets sold, discarded or demolish during the year is being provided at their rates up to 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**

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 except for softwares purchased for computers. The costs of the software are debited to profit & loss account under the sub head miscellaneous expenditure in the year of purchase.

**e) Foreign Currency Transactions**

i) 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.

ii) 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.

<b>NOTE NO.3:</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>SHARE CAPITAL AUTHORISED:</b> 1,00,00,000 Equity Shares of Rs.10 each	<b>1,000.00</b>	1,000.00
<b>ISSUED:</b> 60,36,417 (60,36,417) Equity shares of Rs.10/- each	<b>603.64</b>	603.64
<b>PAID UP:</b> *52,63,467 (52,63,467) Equity Shares of Rs.10/- each fully paid up.	<b>526.35</b>	<b>526.35</b>
Add: Forfeited Shares 736248 (736248) Equity Shares of Rs. 10 each	<b>54.06</b>	<b>54.06</b>
<b>Total</b>	<b>580.40</b>	<b>580.40</b>

**RECONCILIATION OF SHARE CAPITAL**

<b>Equity Shares</b>	<b>As at 31.03.16</b>		<b>As at 31.03.15</b>	
	<b>No of Shares</b>	<b>Amount</b>	<b>No of Shares</b>	<b>Amount</b>
At the beginning of the period	5263467	526.35	5263467	526.35
Fresh issue of shares during the period	0	0.00	0	0.00
Outstanding at the end of the period	5263467	526.35	5263467	526.35

**Disclosure :**

1) The Company has only one class of equity shares having a par value of ` 10/- per share. Each equity share carries one vote and is entitled to dividend that may be declared by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting.

2) Issue of share certificates for 2680 shares are pending for exchange for amalgamation.

3) No bonus and dividends have been paid out during last five years immediately preceding March 2016.

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

<b>Name</b>	<b>2015-2016</b>		<b>2014-2015</b>	
	<b>No.of Shares</b>	<b>%</b>	<b>No.of Shares</b>	<b>%</b>
Mr.ArvindMachhar	765508	14.54	765508	14.54
Race Course Capital Market Pvt Ltd	597500	11.35	597500	11.35
Mrs.SunitaMachhar	354100	6.73	354100	6.73
Mrs.DimpyMachhar	312400	5.94	312400	5.94
Mrs.PremaMachhar	310000	5.89	310000	5.89
Mr. Sunil Machhar	299714	5.69	299714	5.69

<b>NOTE NO.4: RESERVES AND SURPLUS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>1) CAPITAL RESERVES:</b>		
Capital Reserve - As per last Balance Sheet	548.22	548.22
Capital Incentives (Subsidy) - As per last Balance Sheet	83.23	83.23
Profit on Reissue of forfeited shares - As per last Balance Sheet	3.36	3.36
<b>Total Capital Reserves</b>	<b>634.80</b>	<b>634.80</b>
<b>2) SECURITIES PREMIUM RESERVE - As per Last Balance Sheet</b>	<b>480.90</b>	<b>480.90</b>
<b>3) PROFIT AND LOSS ACCOUNT</b>		
Balance as per the last financial statements	-2,510.50	-2,184.24
Profit / (Loss) for the year	240.76	-326.26
<b>Net surplus /(Deficit) in the statement of Profit and Loss</b>	<b>-2,269.73</b>	<b>-2,510.50</b>
<b>Total</b>	<b>-1,154.03</b>	<b>-1,394.79</b>

<b>NOTE NO.5: LONG TERM BORROWINGS</b>	<b>Long Term Maturities</b>		<b>Current Maturities</b>	
	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>SECURED LOANS</b>				
<b>1. TERM LOANS FROM BANKS:</b>				
a) Punjab National Bank Term Loan	218.43	195.67	35.54	660.34
b) Punjab National Bank Term Loan - FITL	592.10	0.00	99.25	133.49
c) Punjab National Bank Term Loan - WCTL	115.57	0.00	33.81	
d) Interest Accrued on Above TL Accounts	0.00	0.00		88.03
<b>UNDER VEHICLE FINANCE SCHEME</b>				
e) State Bank of India "Vehicle Loan"	0.00	0.00	0.00	5.14
f) ICICI Bank Ltd. "Vehicle Loans"	4.47	6.77	2.29	2.29
g) Axis Bank Ltd. "Vehicle Loan"	2.43	4.56	2.14	1.95
h) Cholamandal Finance "Vehicle Loan"	2.35	0.00	1.65	0.00
<b>2. DEFERRED PAYMENT LIABILITIES</b>				
i) For acquisition of fixed assets - To Machine Supplier	0.00	0.00	20.52	19.47
j) For acquisition of fixed assets	0.00	17.71	0.00	66.91
<b>TOTAL SECURED LOANS</b>	<b>935.36</b>	<b>224.70</b>	<b>195.20</b>	<b>977.62</b>
<b>UNSECURED LOANS</b>				
<b>UNRELATED PARTY</b>				
k) Deferred Sales Tax liability	461.95	495.28	87.86	61.73
l) Inter Corporate Deposits	461.09	709.50	0.00	0.00
<b>RELATED PARTY</b>				
m) Directors	859.04	764.01	0.00	0.00
n) ICD from promoter group Company	128.87	129.21	0.00	0.00
<b>TOTAL UNSECURED</b>	<b>1910.95</b>	<b>2098.00</b>	<b>87.86</b>	<b>61.73</b>
<b>Grand Total</b>	<b>2846.31</b>	<b>2322.71</b>	<b>283.06</b>	<b>1039.35</b>

**Sr.No.Above**

- a** In the line with the draft rehabilitation scheme submitted before Board for Industrial and Financial Reconstruction (BIFR), Punjab National Bank has sanctioned restructuring of term loans. The balances in four number of term loans with different terms and conditions and maturities have been transferred to this term loan account. Primarily is secured by hypothecation of all the fixed assets of the company situated at Phalora Aurangabad, Chikalthana Aurangabad, and LaksarHaridwar. The Loan is repayable in monthly installments of Rs 8.27 lacs in FY 2016-2017, Rs. 11.45 lacs in FY 2017-2018, Rs. 12.72 lacs in FY 2018-2019, Rs. 13.36 lacs in FY 2019-2020 & 2020-2021.
- b** In the line with the draft rehabilitation scheme submitted before Board for Industrial and Financial Reconstruction (BIFR) the balances in four number of FITL have been transferred to single FITL Account. Primarily is secured by hypothecation of all the fixed assets of the company situated at Phalora Aurangabad, Chikalthana Aurangabad, and LaksarHaridwar. The loan is repayable in the monthly installment of Rs 2.82 lacs in FY 2016-2017, Rs 3.90 lacs in FY 2017-2018, Rs 4.34 lacs in FY 2018-2019, Rs 4.55 lacs in FY 2019-2020 & 2020-2021.
- c** In the line with the draft rehabilitation scheme submitted before Board for Industrial and Financial Reconstruction (BIFR), Punjab National Bank has sanctioned restructuring of the certain portion of working capital loan and out of that Rs. 325.58 Lacs have been transferred to this WCTL which is not fully disbursed as on 31.03.2016. Primarily is secured by hypothecation of all the fixed assets of the company situated at PhaloraAurangabad, Chikalthana Aurangabad, and LaksarHaridwar. The loan is repayable in the monthly installment of Rs 3.53 lacs in FY 2016-2017, Rs 4.88 lacs in FY 2017-2018, Rs 5.43 lacs in FY 2018-2019, Rs 5.70 lacs in FY 2019-2020 & 2020-2021 in case of fully disbursed.

All the above term loans from PNB as mentioned above as "a to c" are personally guaranteed by managing director and one director of the company. All of these are collaterally secured by immovable property of the Company situated at Phalora, Chikalthana and Laksar plants. The above term loan carries the interest rate at base rate + 0.50% and the same works out to 10.10% p.a as on 31.03.2016.

- d** 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 as on 31.03.2015.
- e** 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.
- f** 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.
- g** 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, 2018.
- 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 April, 2019.
- i** Secured against the machine purchased from the machine supplier and is repayable immediately without any interest. The loan is in CHF currency.
- j** Secured against machine & tooling 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.
- k** This is as per incentive scheme of Government of Maharashtra for the co-ex tube unit of the company situated at Phalora. 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.
- l** Carry interest @ 9% to 15% p.a.
- m** Carry interest @ 12% p.a.
- n** Carry interest @ 9% to 15% p.a.

<b>NOTE NO.6: DEFERRED TAX LIABILITY</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
a) The company is having carried forward losses as per books of accounts of Rs 2269.73 Lacs as on 31.03.2016 and Rs 2205.04 Lacs as per the Income Tax Act 1961.	----	----
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 and Rs.111.43 Lacs for bad debts not allowed being ICD written off. Hence aggrieved by the said order and on obtaining legal opinion the management has preferred an appeal before first appellate authority & second appellate authority respectively and quite hopeful about the favorable result.	----	----

<b>NOTE NO.7: LONG TERM PROVISIONS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Provision for Employee benefit		
Provision for Gratuity (Non Funded)	36.65	35.35
Provision for Leave Encashment (Non-Funded)	14.98	15.14
<b>Total</b>	<b>51.63</b>	<b>50.49</b>

<b>NOTE NO.8: SHORT TERM BORROWINGS</b>	<b>As at 31.03.16</b>	<b>31.03.2015</b>
Cash credit, packing credit, post shipment and ILC acceptance (secured)	606.61	648.89
Interest Accrued on the above		35.06
Foreign currency buyer's credit loan (unsecured)	53.88	48.39
<b>Total</b>	<b>660.49</b>	<b>732.33</b>

**Disclosure:**

Cash credit, packing credit and working capital demand loan from bank are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc and is further secured by a second charge on the fixed assets at Laksar, Phalora and Chikalthana. All the working capital limits from PNB as mentioned above are personally guaranteed by managing director and one director of the company. The cash credit, packing credit and post shipment credit is repayable on demand and carries interest rates at the rate of Bank Base Rate + 0.50% which work out at 10.10% as on 31.03.2016. The Interest on ILC Acceptance is between

12.50% to 15.00%.

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

<b>NOTE NO.9:TRADE PAYABLES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Trade Payables for Materials and Services	446.29	446.86
<b>Total</b>	<b>446.29</b>	<b>446.86</b>

**Disclosure:**

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

<b>NOTE NO.10: OTHER CURRENT LIABILITIES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Advances from Customers	3.15	18.49
Creditors for capital goods	15.78	13.83
Interest Accrued but not due	0.04	0.00
Statutory liabilities	37.10	39.60
Current Maturities of Long Term Debts	283.06	1,039.35
<b>Total</b>	<b>339.12</b>	<b>1,111.28</b>

<b>NOTE NO.11: SHORT TERM PROVISIONS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Leave Travel Concession	4.80	5.28
Medical	4.06	4.05
Bonus	9.22	4.93
<b>Total</b>	<b>18.09</b>	<b>14.26</b>

**Note 12 Fixed assets**

	<b>Tangible assets</b>	<b>Gross block</b>					
		<b>Balance as at</b>	<b>Additions</b>	<b>Disposals</b>	<b>Effect of foreign currency exchange differences</b>	<b>Borrowings cost capitalized</b>	<b>Balance as at</b>
		<b>01/04/2015</b>					<b>31/03/2016</b>
	(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	846.36	0.44	0.00	0.00	0.00	846.80
	(c) Plant and Equipment - owned	4145.75	47.21	3.80	0.00	0.00	4189.16
	(d) Furniture and Fixtures - owned	55.44	0.00	0.00	0.00	0.00	55.44
	(e) Vehicles - owned	108.93	5.77	0.00	0.00	0.00	114.71
	(f) Office equipment - owned	37.91	0.51	0.00	0.00	0.00	38.43
	(h) Others - Computers Owned	31.03	0.14	0.00	0.00	0.00	31.17 0
	<b>Total</b>	<b>5355.05</b>	<b>54.09</b>	<b>3.80</b>	<b>0.00</b>	<b>0.00</b>	<b>5405.33</b>
	<b>Previous year</b>	<b>5571.87</b>	<b>44.91</b>	<b>249.24</b>	<b>-12.50</b>	<b>0.00</b>	<b>5355.05</b>

**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 six vehicles having gross block Rs.82.44 Lacs held in the name of the director(s) and one vehicle having gross block of Rs. 4.83 Lac is held in the name of the ex-director

<b>NOTE NO.13 : NON CURRENT INVESTMENTS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>Unquoted Investments</b>		
1050 Shares of ` 10/- each fully paid up in DevgiriNagriSahakari Bank Ltd.	0.11	0.11
<b>Aggregate Amount of Un quoted Investments</b>	0.11	0.11
<b>Quoted Investments</b>		
<b>Mutual Funds</b>		
(a) UTI-Mastershare- Unit Scheme - 846 Unit of Rs 5/- each	0.06	0.06
(b) UTI - Equity Fund -Unit Scheme - 300 Unit of Rs 10/- each	0.06	0.06
<b>Equity Investments</b>		
(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) NirupSynchome 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) SanchayFinvest 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
<b>Aggregate Amount of quoted Investments</b>	2.98	2.98
	<b>3.09</b>	<b>3.09</b>

**Disclosure: Market Value of Quoted Investments (Except for those which are not in trade as on 31.03.2016)**

Rs.4.22

Rs.3.65

<b>NOTE NO.14: OTHER NON CURRENT ASSETS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Advance to Suppliers for Capital goods	8.39	11.27
<b>Total</b>	<b>8.39</b>	<b>11.27</b>

<b>NOTE NO.15: INVENTORIES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Valued at Lower of Cost and net realisable value except stated otherwise. <b>(As certified by the Management)</b>		
Raw Material	138.65	143.07
Finished & Semi Finished goods	48.17	41.52
Work in Progress at cost	25.11	30.74
Packing Material at cost	8.96	5.26
Stores and Spares at cost	34.95	35.02
<b>Total</b>	<b>255.83</b>	<b>255.60</b>

<b>NOTE NO.16: TRADE RECEIVABLES</b>			<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Unsecured	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>	<b>551.35</b>	<b>458.47</b>
(a) Outstanding for more than six months - Considered Good	17.64	82.83		
(b) Other debts	538.11	380.05		
Less: Provision for doubtful debts	4.41	4.41		
<b>Total</b>			<b>551.35</b>	<b>458.47</b>

<b>NOTE NO.17: CASH AND CASH EQUIVALENT</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>Cash on Hand</b>	4.42	11.53
<b>Balances with Banks</b>		
In Current Account	1.52	0.61
In Fixed Deposits (Held with Scheduled Bank as Margin)	27.69	28.76

In EEFC Accounts	0.81	0.77
<b>Total</b>	<b>34.44</b>	<b>41.66</b>

<b>NOTE NO.18: SHORT TERM LOANS AND ADVANCES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
(Unsecured and considered good)		
Advance to Suppliers for Raw Material, Consumables & Services	35.37	22.73
Advances recoverable in cash or in kind or for value to be received	1.87	3.69
<b>Total</b>	<b>37.24</b>	<b>26.42</b>

<b>NOTE NO.19: OTHER CURRENT ASSETS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Pre-Paid expenses	1.67	2.31
TDS Receivables	5.17	4.50
VAT Receivables	79.89	76.35
RG-23-A, RG-23-C & Service Tax Unutilized Balance	8.65	8.68
Export Incentives Receivables	22.35	13.81
Excess Interest Charge by Bank-Refundable	26.70	
Deposits with electricity boards, telephone, PLA etc.	8.89	9.40
<b>Total</b>	<b>153.33</b>	<b>115.05</b>

<b>NOTE NO.20: REVENUE FROM OPERATIONS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Sale of Manufactured Goods - co-extruded tubes	3,108.85	2,577.47
Sale of Scrap	13.38	4.70
Sale of Traded Goods	0.00	0.00
<b>Total</b>	<b>3,122.23</b>	<b>2,582.17</b>

**Disclosure:**

Sales are stated at gross value inclusive of taxes and Freight. Sales includes inter unit transfer of finished and semi-finished goods amounting to Rs.43.48 Lacs (Rs.85.12) Lacs.

<b>NOTE NO.21: OTHER INCOME</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Dividend on shares	0.14	0.00
Interest on Bank Time Deposit & Others	2.98	2.86
Rent Receipt	3.44	1.25
Credit Balances Written Back	3.89	0.37
Export Incentives	14.39	8.59
Miscellaneous Income	5.33	6.01
Net Profit on Foreign Currency Transactions	8.26	0.00
<b>Total</b>	<b>38.43</b>	<b>19.09</b>

<b>NOTE NO.22: COST OF MATERIALS CONSUMED</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>POLYETHYLENE</b>		
Opening Stocks	24.06	51.49
Add: Purchases	486.60	375.32
Less : Closing Stocks	35.13	24.06
<b>Consumption</b>	<b>475.53</b>	<b>402.75</b>
<b>POLYPROPLENE</b>		
Opening Stocks	67.62	56.00
Add: Purchases	270.18	204.60
Less : Closing Stocks	10.78	67.62
<b>Consumption</b>	<b>327.02</b>	<b>192.98</b>
<b>MASTER BATCHES</b>		



Opening Stocks	19.74	16.28
Add: Purchases	54.69	44.50
Less : Closing Stocks	21.45	19.74
<b>Consumption</b>	<b>52.97</b>	<b>41.04</b>
<b>LABELS</b>		
Opening Stocks	6.56	3.67
Add: Purchases	145.47	171.36
Less : Closing Stocks	6.62	6.56
<b>Consumption</b>	<b>145.41</b>	<b>168.47</b>
<b>INLAND BOUGHT OUT ITEMS</b>		
Opening Stocks	0.00	0.00
Add: Purchases	94.86	112.27
	<b>94.86</b>	<b>112.27</b>
Less : Closing Stocks	45.12	0.00
<b>Consumption</b>	<b>49.74</b>	<b>112.27</b>
<b>OTHER RAW MATERIALS</b>		
Opening Stocks	20.39	16.38
Add: Purchases	103.30	103.36
Less : Closing Stocks	19.06	20.39
<b>Consumption</b>	<b>104.63</b>	<b>99.35</b>
<b>Total Consumption</b>	<b>1,155.31</b>	<b>1,016.85</b>

**Disclosure**

The sale of inter unit raw materials of Rs. 97.18 Lacs (Rs. 128.66 Lacs) adjusted in cost of materials consumed.

<b>NOTE NO.23: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Opening Finished Goods	41.52	59.97
Closing Finished Goods	48.17	41.52
<b>Change in Finished Goods</b>	<b>-6.66</b>	<b>18.46</b>
Opening Work-in-Progress	30.74	22.17
Closing Work-in-Progress	25.11	30.74
<b>Change in Work-in-Progress</b>	<b>5.63</b>	<b>-8.57</b>
<b>Net (Increase)/Decrease</b>	<b>-1.03</b>	<b>9.89</b>

<b>NOTE NO.24 : EMPLOYEE BENEFITS EXPENSES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Salaries and Wages including Bonus	345.50	367.52
Contribution to P.F.	14.79	15.39
Employee welfare	2.98	3.42
<b>Total</b>	<b>363.27</b>	<b>386.33</b>

**Disclosure:**

The above Salaries and Wages include Directors Remuneration

<b>NOTE NO.25 : FINANCE COST</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
Interest on Term Loan	113.41	167.88
Interest on Working Capitals including acceptances and buyer credits	69.27	98.81
Interest on other borrowings	165.70	173.53
Interest on delayed payment of Sales Tax Deferal	0.00	6.59
Bank Charges	11.59	13.56
Interest and penalty on delayed payment of TDS	0.00	1.21
<b>Total</b>	<b>359.98</b>	<b>461.58</b>

**Note 26 Depreciation on Fixed assets**

	Tangible assets	Accumulated depreciation and impairment					Net block		
		Balance as at	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Impairment losses recognised in statement of profit and loss - opening balance as on	Reversal of impairment losses recognised in Statement of Profit and Loss	Balance as at	Balance as at	Balance as at
		01/04/2015			01/04/2015		31/03/2016	31/03/2016	31/03/2015
(a) Land									
Freehold	0.00	0.00	0.00	0.00	0.00	0.00	129.00	129.00	
Leasehold	0.15	0.01	0.00	0.00	0.00	0.16	0.47	0.48	
(b) Buildings - own use	313.21	21.27	0.00	0.00	0.00	334.48	512.32	533.15	
(c) Plant and Equipment – owned	1809.06	213.39	-65.60	68.49	0.00	2156.54	2032.62	2202.60	
(d) Furniture and Fixtures – owned	41.32	2.73	0.00	0.03	0.00	44.09	11.35	14.08	
(e) Vehicles - owned	47.13	15.68	0.00	0.69	0.00	63.50	51.20	61.11	
(f) Office equipment - owned	26.28	3.81	0.00	0.00	0.00	30.09	8.34	11.64	
(h) Others - Computers	31.11	0.74	0.00	0.00	0.00	31.85	-0.68	-0.08	
<b>Total</b>	<b>2268.26</b>	<b>257.63</b>	<b>-65.60</b>	<b>69.21</b>	<b>0.00</b>	<b>2660.70</b>	<b>2744.63</b>	<b>2951.98</b>	
<b>Add capital work in progress</b>								<b>0.00</b>	
<b>Previous year</b>	<b>2252.86</b>	<b>264.64</b>	<b>249.24</b>	<b>134.81</b>	<b>0.00</b>	<b>2403.07</b>	<b>2951.98</b>	<b>3184.20</b>	

**Notes:**

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

<b>NOTE NO.27 : OTHER EXPENSES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>A. MANUFACTURING EXPENSES</b>		
Stores & Spares consumed	111.89	81.47
Power & Fuel	182.31	142.21
Repairs to Machinery	13.54	11.45
Packing Material consumed	78.65	64.22
Job work expenses	0.09	3.47
Contract Production Wages	170.81	136.60
<b>Subtotal</b>	<b>557.29</b>	<b>439.42</b>
<b>B. ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rates & Taxes	4.38	2.24
Rent	8.82	5.66
Insurance	5.00	5.29
<b>Payment to Statutory Auditors</b>		
Statutory Audit Fee	3.00	2.75
Quarterly Review fees	0.50	0.50
Reimbursement of expenses	0.34	0.46
Postage	2.52	3.12
Telephone	9.46	9.89
Vehicle running and Maintenance	14.70	19.06
Legal & Professional Charges	13.15	18.15
Penalty of late filing of TDS / TCS Returns	0.05	6.51

Travelling Expenses	28.20	37.84
Miscellaneous Expenditure	24.43	23.88
Debit Balance written off	7.94	0.11
Repairs to Building	3.26	2.20
Repair to other Assets	2.34	2.97
Security Expenses	17.98	16.85
Net Loss on Foreign Currency Transactions		1.84
<b>Subtotal</b>	<b>146.05</b>	<b>159.31</b>
<b>C.SELLING AND DISTRIBUTION EXPENSES</b>		
Excise duty and sales tax / VAT	181.34	133.56
Sales Tax Assessment Dues	0.00	0.24
Transportation Expenses	68.09	61.68
Other Sales expenses & discounts	12.77	9.54
<b>Subtotal</b>	<b>262.20</b>	<b>205.01</b>
<b>Grand Total</b>	<b>965.55</b>	<b>803.74</b>

<b>NOTE NO.28 PRIOR PERIOD ITEMS INCOME/EXPENSES</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>INCOME</b>		
Excess provision of gratuity and leave encashment written back	0.00	18.56
Other income of earlier years ( Including the relief of Interest by PNB of Rs.176.61 )	187.70	8.82
Excess Provision Written Back	0.21	0.00
<b>Subtotal</b>	<b>187.91</b>	<b>27.39</b>
<b>EXPENSES</b>		
Excess booking of export incentives written back	0.00	5.34
Other expense of earlier years	7.40	6.53
<b>Subtotal</b>	<b>7.40</b>	<b>11.87</b>
<b>INCOME/EXPENSES</b>	<b>180.51</b>	<b>15.51</b>

<b>NOTE NO.29 EXTRA-ORDINARY ITEMS</b>	<b>As at 31.03.16</b>	<b>As at 31.03.15</b>
<b>INCOME</b>		
Profit on sale of Fixed Assets	0.29	0.00
<b>INCOME/EXPENSES</b>	<b>0.29</b>	<b>0.00</b>

**30. Segment Reporting:**

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

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

**A. Primary Segment: Business segment**

The operations of the company mainly fall within a single business segment i.e. Co-extruded tube segment. The financial data for segment reporting as follows.

Sr No	Particulars	Co-extruded Tube Division 31.03.2016	Co-extruded Tube Division 31.03.2015
	<b>Revenue</b>		
A	Sales	3,122.23	2582.17
B	Profit/Loss Before Dep and Interest	858.08	399.97
C	Interest Expense	359.98	461.58
D	Depreciation & Impairment	257.63	264.64
E	Extra Ordinary Items	0.29	0.00
<b>F</b>	<b>Net Profit/Loss</b>	<b>240.76</b>	<b>(326.26)</b>
	<b>Other Information</b>		
G	Segmental Assets	5,405.33	5355.05
H	Less Depreciation & Impairment	2,660.70	2403.07
<b>I</b>	<b>Net Assets</b>	<b>2,744.63</b>	<b>2,951.98</b>
J	Segmental Liabilities	803.50	1,572.40

**B. Secondary Segment: Geographic Segment**

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

	<b>PARTICULARS</b>	<b>TOTAL</b>	<b>Co-extruded Tube Division</b>
A	DOMESTIC	2,711.78	2267.62
B	EXPORT	410.46	314.55
	<b>TOTAL</b>	<b>3,122.23</b>	<b>2,582.17</b>

**Note:-**

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

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

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1	Arvind Machhar	Managing Director	21.92	21.91

**Salary to related persons:**

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1	Arpit Machhar	Son of MD	6.60	9.36
2	Nischint Machhar	Son of MD	9.30	8.71

**Payment of professional fees:**

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1	Khandelwal Jain & Co.	Related Concern of Non-Executive Independent Director	0.50	0.35

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

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1	Arvind Machhar	Managing Director	40.76	29.20
2	Nawnit Machhar	Brother of MD	1.87	12.91
3	Sandeep Machhar	Director	41.90	39.91
4	Utsav Logistic Private Limited	Promoters Group Company	0.20	2.76
5	Race Course Capital Market Limited	Promoters Group Company	8.70	10.56
6	Machhar Industries Limited	Promoters Group Company	0.00	0.49
7	KCL Infra Projects Ltd	Promoters Group Company	1.09	-

**Interest free unsecured loan taken:**

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
5	Machhar Industries Limited	Promoters Group Company	0.00	0.52

**Interest bearing unsecured loan taken:**

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
1	ArvindMachhar	Managing Director	481.39	315.70
2	NawnitMachhar	Brother of MD	0.00	85.44
3	SandeepMachhar	Director	377.66	362.86
4	Race Course Capital Market Limited	Promoters Group Company	128.35	125.19
5	Utsav Logistic Private Limited	Promoters Group Company	0.00	3.50

**32. Contingent Liabilities:**

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

- Government of India have been completed and submissions for obtaining Export Obligations Discharge Certificates have been made by the Company to the office of Director General of Foreign Trade, Mumbai.
- d. In respect of demand raised by Sales Tax authority, Aurangabad for Rs.2.25 Lacs for Sales Tax amount and Rs. 2.22 Lacs for interest thereon for the FY 2006-2007.
  - e. In respect of demand raised by Sales Tax authority, Aurangabad for Rs. 0.51 Lacs for Sales Tax amount and Rs.0.16 Lacs for interest thereon and penalty of Rs. 0.27 Lacs for the FY 2008-2009.
  - f. In respect of notices issued by Sales Tax Authority, Haridwar with respect to various compliances for Rs. 0.28 Lacs.
  - g. In respect of disallowance of Carried Forward Unabsorbed Depreciation of Rs 1354.42 Lacs& Bad Debts disallowance of Rs.111.43 Lacs for A.Y.2010-2011.
  - h. In respect of Fiscal liabilities that may arise on account of non-observance of provisions of various fiscal statues, Companies Act, Value Added Tax and other related laws and interest / other charges chargeable on demands raised and not paid if any, amount is not ascertainable.
  - i. Estimated amount of contract remaining to be executed net of advances on capital account and not provided for Rs.25.80Lacs (Rs.17.55Lacs).
33. A) The company has received notice from Income Tax Department regarding short payment and short deduction of TDS / TCS along with interest thereon up to financial year 2014-15 of Rs.18.26Lacs out of the same Rs 6.51Lakhshas been provided in the accounts and being an undisputed amount and balance for disputed amount of Rs.11.75 lakhs.
- B) For the financial year 2015-2016 the company has received intimation from Income Tax Department regarding short payment and short deduction of TDS / TCS along with interest thereon of Rs. 1.26 Lacs.
- The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

**34. GOING CONCERN:**

The financial statements which indicate that the company has financial losses and its net worth has been substantially eroded i.e 98.83% (loss Rs. 573.63 Lacs and share capital Rs. 580.40 Lacs). The company has not incurred net loss/net cash loss during the year under consideration (Earned net profit of Rs.240.76 Lacs mainly due to concessions and reliefs given in the line of rehabilitation scheme by the Punjab National Bank) and incurred net cash loss of Rs. 61.62 Lacs in the financial year immediately preceding current year. The Company's current liabilities exceeded the current asset as at the balance sheet date. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a Going Concern.

However, the financial statements of the company have been prepared on going concern basis, as the Company has once again declared as a "Sick Industrial Company" by the Board for Industrial and Financial Reconstruction (BIFR) as per hearing held on 10<sup>th</sup> October 2013 vide their order dated 20-11-2013, initiative by the company to reduce loss and to increase revenue (An increase in revenue from operation during the year under consideration of Rs. 540.06 Lacs.Rs.in compare to previous year's revenue of Rs. Rs. 2582.17).

The BIFR has appointed Punjab National Bank as the operating agency (AO).The Company has submitted Draft Rehabilitation Scheme (DRS) to OA and the OA have submitted the DRS to BIFR. The sole banker Punjab National Bank has sanction rescheduling of term loan, working capital loan and other outstanding loans and its terms & conditions in the line of DRS submitted before BIFR.

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

	<b>Rs in Lacs</b>	
	31.03.2016	31.03.2015
Recovery of Special Capital Incentives and interest thereon by Government of Maharashtra	172.68	165.66

Sales Tax deferred from November, 2012 to March 2016 as the validity of eligibility certificate has expired on 31.10.2012 which has been extended by 8 years in the scheme	80.90	55.08
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36. Considering the status of the company as "Sick Industrial Company", the various concession and relief asked for and are pending before BIFR, the time lag between the assessment under various statutory laws, the management is of the opinion that, the interest and charges payable to various government and semi government authorities shall be accounted on paid basis instead of accrual basis for the year under consideration and henceforth. This amounts to change in accounting policies which is having impact of financial statements and elaborated below;

- The profit of the company for the year under consideration has been overstated by Rs.9.75 Lacs.
- The Reserve and Surplus stated at Rs.1154.03 Lacs Instead of Rs. 1163.78 Lacs.
- The Current liability stated at Rs. 1463.99 Lacs instead of Rs. 1473.74 Lacs.

### 37. Directors Remunerations:

(Rs. in Lacs)

#### Directors Remunerations:

Particulars	M.D		W.T.D.		TOTAL	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
i. Salary	20.16	19.04	---	---	20.16	19.04
ii. Perquisites	1.55	2.7	---	---	1.55	2.7
iii. Leave Encashment	---	---	---	---	---	---
iv. Contribution to P.F.	0.22	0.17	---	---	0.22	0.17
<b>TOTAL</b>	<b>21.92</b>	<b>21.91</b>	<b>---</b>	<b>---</b>	<b>21.93</b>	<b>21.91</b>

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

38. 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. Sale Tax (VAT & CST), Excise & Service tax deposits/balance, income tax, subject to confirmations, reconciliation and consequent adjustment, if any. The differences as may be noticed on reconciliation are being accounted for and will be duly accounted for on completion thereof. In the opinion of the Management the ultimate difference will not be material.

### 39. Employee Benefits

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

#### Defined Contribution Plans: Provident Fund

During the year, the Company has recognized the following amounts in the Profit & Loss Account

	Particulars	31.03.2016	31.03.2015
-	Employers Contribution to Provident Fund	14.78	15.37
-	Employers Contribution to Staff Welfare Fund	--	3.42

#### Defined Benefit Plans

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

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

Particulars	31.03.2016	31.03.2015
Discount Rate	8.00	7.75
Salary escalation rate	6.50	6.50
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	23	24

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2016

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

Particulars	31.03.2016	31.03.2015
Present value of obligations at the beginning of the year	40.50	35.35
Current Service Cost	4.16	4.61
Interest Cost	2.73	3.09
Actuarial (Gain) / Loss	-2.67	-6.14

Benefit paid	-2.92	-0.55
<b>Present value of obligations at the end of the year</b>	<b>36.65</b>	<b>40.50</b>

**b) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2015**

<b>Particulars</b>	31.03.2016	31.03.2015
Obligation on the part of the Company	100%	100%

**c) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2015**

<b>Particulars</b>	31.03.2016	31.03.2015
Current Service Cost	4.16	4.61
Interest Cost	2.74	3.09
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-2.67	-6.14
Past Service cost	0.00	0.00
<b>Net Gratuity (income) / expense</b>	<b>4.23</b>	<b>1.56</b>

The liability for leave encashment and compensated absences as at year end is Rs.14.98Lacs (Previous year liability Rs.23.02Lacs)

**40. Earnings Per Share:**

The basic and diluted EPS is calculated as under:

<b>Particulars</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
Profit/(loss) attributable to Equity Share Holders	221.36	(326.26)
Weighted average number of Equity Shares of Rs.10 Each	5263467	5263467
<b>Earnings / (Loss) per share</b> (considering extra ordinary items) -Rupee only	0.88	(6.19)
<b>Earnings (Loss) per share</b> (without considering extra ordinary items) – Rupee only	4.21	(6.19)

**41. Additional Information****A. RAW MATERIAL CONSUMED:**

NAME	QUANTITY (MT)		VALUE (RS.)	
	31/03/16	31/03/15	31/03/16	31/03/15
I) HDPE//LLDPE/LDPE/PP	713.24	564.97	802.56	766.21

**B. VALUE OF RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR**

	As on 31.03.2016		As on 31.03.2015	
	Value (in Rs.)	%	Value (in Rs.)	%
<b>I) RAW MATERIAL</b>				
IMPORTED	245.61	21.26	309.44	30.43
INDIGENOUS	909.70	78.74	707.41	69.57
<b>TOTAL</b>	<b>1155.31</b>	<b>100.00</b>	<b>1016.85</b>	<b>100.00</b>
<b>II) SPARE PARTS AND COMPONENTS</b>				
IMPORTED	42.19	37.70	27.68	33.97
INDIGENOUS	69.71	62.30	53.80	66.03
<b>TOTAL</b>	<b>111.90</b>	<b>100.00</b>	<b>81.48</b>	<b>100.00</b>

**D.INCOME/EXPENDITURE IN FOREIGN CURRENCY:**

<b>EARNING / EXPENDITURE IN FOREIGN CURRENCY:</b>	31/03/16	31/03/15
I ) EARNING IN FOREIGN EXCHANGE - EXPORTS ON FOB BASIS	667.98	337.36
II ) EARNING IN FOREIGN EXCHANGE - SALE OF ASSETS	139.29	0.00
III ) CIF VALUE OF IMPORTED MATERIAL	308.39	339.02
IV ) EXPENDITURE IN FOREIGN CURRENCY TRAVELLING TECHNICAL, DRAWING & DESIGN	8.33	13.98
V ) PAYMENT FOR INTEREST ON BUYERS CREDIT	1.29	4.10
VI ) PAYMENT AGAINST CAPITAL EQUIPMENTS	158.30	175.41

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

43. There is minor change in "Register of Members" as well as "Distributing of Shareholding" as of 31st March 2016 which does not impact the shareholding patter of major shareholders. Further, the Registrar and Transfer agent is not

*furnishing the desired details hence, the figures as on 31<sup>st</sup> March 2015 be considered as figure as of 31<sup>st</sup> March 2016 and accordingly the figures are reported in the financial statements.*

AS PER OUR REPORT ANNEXED  
FOR RATHI & BANGAD



SHRI ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843



DILIP JAIN –PROPRIETOR- M. NO 044301  
PLACE –AURANGABAD  
DATE - 30.05.2016



SHRI SANDEEP MACHHAR  
DIRECTOR  
DIN:-00251892

FIRMS REGISTRATION NUMBER 108702W  
CHARTERED ACCOUNTANTS



Proxy form [Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:

Name of the company:

Registered office:

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... At..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1..... 2..... 3..... Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

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