



apcotex industries limited

Annual Report 2013-14

APCOTEX INDUSTRIES LIMITED

BOARD OF DIRECTORS

Atul C. Choksey	Chairman
Girish C. Choksey	Director
Amit C. Choksey	Director
Manubhai G. Patel	Director
Bipin V. Jhaveri	Director
Dr. S. Sivaram	Director
T. N. V. Ayyar (upto 31/03/2014)	Director
Shailesh S. Vaidya	Director
Kamlesh S. Vikamsey	Director
Abhiraj A. Choksey	Managing Director

AUDIT COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member
Bipin V. Jhaveri	Member
Kamlesh S. Vikamsey	Member

GM – ACCTS., FIN. AND COMPANY SECRETARY

Anand V. Kumashi

AUDITORS

Kalyaniwala & Mistry
Chartered Accountants.

BANKERS

State Bank of India
Standard Chartered Bank

REGISTERED OFFICE & FACTORY

Plot No.3/1, MID C Industrial Area, P.O. Taloja,
Dist. Raigad 410 208, Maharashtra.
CIN: L99999MH1986PLC039199
Telephone: (022) 2740 3500
Fax: (022) 2741 2052
E-mail: redressal@apcotex.com
Website: www.apcotex.com

REGISTRARS AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai- 400 078
Tel. No.: 2596 3838, 2594 6970 Fax – 2594 6969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in



Certified True Copy
of apcotex Industries Limited

Authorised Signatory



CORPORATE OFFICE

N. K. Mehta International House,
178, Backbay Reclamation,
Babubhai M. Chinai Marg,
Mumbai - 400 020
Telephone: (022) 2283 8302 / 04
Fax: (022) 2283 8291



NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of **apcotex industries limited** will be held at the Registered Office of the Company at **Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra** on **Thursday, the 31st day of July 2014** at **10.30 a.m** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Accounts for the year ended 31st March 2014 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Girish Champaklal Choksey (DIN00246196), who retires by rotation and, being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** M/s. Kalyaniwala & Mistry, Chartered Accountants (Firm Registration No.104607W) having their office at Kalpataru Heritage, 5th Floor, 127 M.G. Road, Mumbai 400 023, be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 2018 Annual General Meeting of the Company, subject to ratification at every annual general meeting, on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. To consider appointment of Mr. Manubhai G. Patel (DIN 00001662) as an Independent Director and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), Mr. Manubhai G. Patel (DIN00001662) who was appointed as Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.”
6. To consider appointment of Mr. Bipin V. Jhaveri (DIN 00001648) as an Independent Director and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other

applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), Mr. Bipin V. Jhaveri (DIN00001648) who was appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.”

7. To consider appointment of Dr. S. Sivaram (DIN 00009900) as an Independent Director and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), Dr. S. Sivaram (DIN00009900) who was appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.”

8. To consider appointment of Mr. Shailesh S. Vaidya (DIN 00002273) as an Independent Director and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), Mr. Shailesh S. Vaidya (DIN00002273) who was appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.”

9. To consider appointment of Mr. Kamlesh S. Vikamsey (DIN00059620) as an Independent Director and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), Mr. Kamlesh S. Vikamsey (DIN00059620) who was

appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.”

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

“**RESOLVED THAT** in supersession of the Ordinary Resolution passed at 25th Annual General Meeting held on 30th July 2011 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications(s) or reenactments thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, such sums of monies as they may deem requisite for the purposes of business of the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) notwithstanding that such borrowings may exceed the aggregate 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 upto which the monies may be borrowed by the Board of Directors shall not exceed the sum of ₹ 120 crores (Rupee One Hundred Twenty Crores).”

**BY ORDER OF THE BOARD
For apcotex industries limited**


ANAND V. KUMASHI
GM – Accts., Fin. &
Company Secretary

Date: 26th April 2014

Registered Office:

Plot no. 3/1, MIDC Industrial Area,
Taloja - 410 208,
Dist. Raigad, Maharashtra
CIN: L99999MH1986PLC039199
E-mail: redressal@apcotex.com

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A member entitled to attend and vote, is entitled to appoint a proxy to attend and, on a poll, vote instead of himself/ herself. A proxy need not be a member. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and

such person shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. The Register of Shareholders and Share Transfer Books of the Company will remain closed from **Wednesday, the 23rd day of July 2014 to Wednesday, the 30th day of July 2014** (inclusive of both days).
5. Shareholders are requested to notify the changes, if any, in their addresses to the Company's Registrars immediately.
6. Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature registered with the Company for admission to the meeting hall.
7. Dividend recommended by Directors, if approved by the shareholders at the Annual General Meeting, will be paid / dispatched on or after **1st August 2014** to those shareholders whose names appear on the Register of Shareholders as on **23rd July 2014**. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of **23rd July 2014**, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
8. The company is using National Electronic Clearing Services (NECS) for dividend remittance. Shareholders holding shares in physical form are requested to notify/send to the Company's Registrar and Share Transfer Agent at: LINK INTIME INDIA PVT LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400 078, immediately, details of any change in their address/mandate / bank details; and particulars of their bank account, in case the same have not been sent earlier.
9. Shareholders holding shares in the electronic form are requested to inform any change in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.
10. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividends upto the financial year 2005-06 from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of Information regarding unpaid / unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28th June 2013 (date of last Annual General Meeting) on the website of the Company



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viz. www.apcotex.com, as also on the website of the Ministry of Corporate Affairs.

11. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from Company's Registrars and Share Transfer agent viz. LINK INTIME INDIA PVT LTD
12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
13. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular nos. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email address.

as prescribed under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, the aforesaid Directors fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013.

The copy of the draft letters for respective appointments of Mr. Manubhai G. Patel, Mr. Bipin V. Jhaveri, Dr. S. Sivaram, Mr. Shailesh S. Vaidya and Mr. Kamlesh S. Vikamsey, as Independent Directors setting out the applicable terms and conditions, are available for inspection by members at the Registered office of the Company.

The particulars of the Independent Directors, nature of their expertise in specific functional area(s), names of companies in which they hold directorship, are provided in the Corporate Governance Report forming part of the Annual Report.

Each of Mr. Manubhai G. Patel, Mr. Bipin V. Jhaveri, Dr. S Sivaram, Mr. Shailesh S. Vaidya, and Mr. Kamlesh S. Vikamsey is interested in the respective resolution for his own appointment under Item nos. 5, 6, 7, 8 and 9 of the Notice. The relatives of the said Directors may be deemed to be interested in the resolutions set out respectively under Item nos. 5, 6, 7, 8 and 9 of the Notice to the extent of their respective shareholding in the Company.

Save and except the above, none of other Directors and Key Managerial Personnel of the Company and their respective relatives are in any way interested financially or otherwise, in the resolutions under Item nos. 5, 6, 7, 8, 9 of the Notice.

Your Directors commend the resolutions set out under Item nos. 5 to 9 of the Notice for the appointment of Independent Directors.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

Item No.5 to 9

Mr. Manubhai G. Patel, retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. Mr. Bipin V. Jhaveri, Dr. S. Sivaram, are the independent directors of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. They are Independent Directors of the Company and have held the position as such for more than 10 years.

Mr. Shailesh S. Vaidya and Mr. Kamlesh S. Vikamsey are also Independent directors of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. They are also the Independent Directors of the Company but have held the position as such for less than 5 years.

It is proposed to appoint them as Independent Directors of the Company under Section 149 of the Companies Act, 2013 to hold the office for a period of 5 (Five) consecutive years i.e. for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019.

The Company has received the declarations from the said Directors stating that they meet all the criteria of Independence,

Item No.10

Pursuant to the provisions of clause (c) of sub-section(1) of Section 180 of the Companies Act, 2013, the Board of Directors can not borrow more than the aggregate amount of the paid-up share capital and free reserves of the Company, except with the consent of the shareholders of the Company. With a view to augment the funds required by the Company, the Board of Directors deems it advisable to raise long term finance by borrowing, whenever necessary. To obviate the need for the Company to obtain permission of shareholders every time before such transaction(s) take place, it is proposed to obtain a general sanction from the Shareholders by a Special Resolution.

None of the Directors is concerned or interested in the resolution under this item of the Notice.

BY ORDER OF THE BOARD
For apcotex industries limited


ANAND V. KUMASHI
GM – Accts., Fin. &
Company Secretary

Date: 26th April 2014

Registered Office:

Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208,
Dist. Raigad, Maharashtra
CIN: L99999MH1986PLC039199
E-mail: redressal@apcotex.com

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Twenty-Eighth Annual Report of the Company and the audited Statements of Accounts for the year ended 31st March 2014.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

Particulars	2013-14 (₹ In Lacs)	2012-13 (₹ In Lacs)	Growth %
GROSS SALES	33035.43	30262.47	9.16
Gross Profit Before Depreciation, Finance cost and Tax but after prior years' adjustments	2756.42	2350.27	17.28
Less: a) Depreciation	676.81	311.30	
b) Finance Cost	414.49	234.81	
Profit Before Tax	1665.12	1804.16	(7.71)
Less: a) Provision for Tax			
b) Adjustment for Deferred Tax Liability	371.00 (20.20)	414.00 109.63	
Profit After Tax	1314.32	1280.53	2.64
Add: Balance brought forward from the Previous Year	2560.10	1953.53	
Disposable Profit	3874.42	3234.06	19.80
Recommended Appropriations:			
a) Dividend	518.46	466.60	
b) Tax on Dividend	88.11	79.30	
c) Transfer to General Reserve	131.50	128.05	
Balance carried forward to Balance Sheet	3136.35 3874.42	2560.10 3234.05	

1. a. DIVIDEND

Your Directors have recommended a dividend @ ₹ 5.00 (Rupees Five) per Equity Share of ₹5.00/- each, for the financial year 2013-14. Dividend, if approved, will absorb a sum of ₹606.57 lacs (including Dividend Distribution Tax of ₹88.11 lacs) out of the net profits after tax, as above and will be paid to those shareholders whose names appear on the Register of Members on **Wednesday 23rd July 2014**.

b. SUB-DIVISION OF SHARES:

The Board of Directors in their meeting held on 3rd August 2013, fixed 17th August as record date for the sub-division of the Equity Shares of the face value of ₹ 10.00/-each (Rupees Ten) into 2 equity shares of the face value of ₹ 5.00/- each (Rupees Five) pursuant to the resolution passed at the Annual General Meeting held on 28th June 2013. After the record date, 51,84,496 (Fifty One Lac Eighty Four Thousand Four Hundred Ninety Six

equity shares of the nominal value of ₹10.00/- each (Rupees Ten) were sub-divided into 1,03,68,992 (One Crore Three Lacs Sixty Eight Thousand Nine Hundred Ninety Two) Equity Shares of the nominal value of ₹5.00/-each (Rupee Five) and sub-divided new physical share certificates were issued to the concerned shareholders and the old share certificate were deemed to have been automatically cancelled, pursuant to the resolution passed at the above mentioned Annual General Meeting. In the case of the members who held the equity shares in dematerialized form, the sub-divided shares were credited to their respective beneficiary accounts.

2. MANAGEMENT DISCUSSION AND ANALYSIS

The company manufactures and markets a range of Emulsion Polymers - Synthetic Latexes and Synthetic Rubber.

I. CURRENT SCENARIO.

Your Company is one of the leading producers of polymer products namely, Synthetic Latexes (Vinyl Pyridine Latex, Carboxylated Styrene Butadiene Latex, Acrylic Latex, Nitrile Latex etc.) and also Synthetic Rubber (High Styrene Rubber) in India. The Company has one of the broadest ranges of products in the industrial segments and caters to a wide range of industries. Company's Synthetic Latexes products are used, among other applications, for tyre cord dipping, paper and paperboard coating, carpet backing, concrete modification/water proofing, textile finishing, paints, etc.,. Various grades of Synthetic Rubber find application in products such as footwear, automotive components, moulded items, V-belts, conveyor belts, hoses etc.,.

The Company's major raw materials are petrochemical products and its business is vulnerable to high volatility in the prices of crude oil and its downstream products.

The Company had introduced a range of Acrylics products for Paper, Construction and Carpet segments three years earlier, which have been well received in the market.

A number of steps have been taken by the management to improve the operational efficiency of the Company in different functions like marketing, human resource development, production process etc.

Your company is recipient of Total Productive Maintenance (TPM) Excellence in Consistent TPM Commitment Award- Category A by the Japan Institute of Plant Maintenance (JIPM) during the year under review. TPM has helped the company significantly in improving efficiencies in plant and in operations and rationalizing costs. During the year, your Company has successfully completed re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001.



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The Company has been continuously upgrading its own technology through in-house research and development efforts to meet the changing needs of its customers.

II. OPERATIONS DURING THE FINANCIAL YEAR 2013-14.

During the year, the Company achieved Gross Value Sales of ₹ 33,035.43 lacs, registering a growth of **9.16%**, compared to that of the preceding year. The company exported its products worth ₹ 3,459 lacs compared to exports of ₹ 2,535 lacs during the previous year, a growth of 36%.

Overall, there was a satisfactory sales growth in the business of Synthetic Latexes. There was a sales de-growth in Synthetic Rubber business due to overall shrinking market witnessing competition from cheaper polymers as well as change in customer preferences.

There was a continuous thrust from the management to develop a strong research and development and technical service team to understand better the changing customer needs, improve product quality, and customer needs to improve product quality and introduce better controls, through technology up-gradation.

Profits before tax came-down by 7.7% to ₹ 1,665.12 lacs as compared to ₹ 1,804.16 lacs during the previous year due to higher interest and depreciation. However EBITDA increased by 17.3% from ₹ 2,350.27 lacs in the previous year to ₹ 2,756.42 lacs in FY 2014-15.

The profit after tax stood at ₹ 1,314.32 lacs as compared to ₹ 1,280.53 lacs in the previous year.

Your Directors consider Company's performance as satisfactory.

III. OUTLOOK.

The Company expects the current year to be challenging one in terms of volatilities in prices of major inputs materials. Overall growth of the economy, introduction of new products, improving market share in the domestic market and export growth, are expected to augur well for the Company.

With company's continuous endeavour to enhance efficiencies at all levels and functions, your Directors view the prospects for the financial year 2014-15 with cautious optimism.

IV. RISKS AND CONCERNS.

The Company's Board of Directors perceives the following risks as high risks areas:-

1. Currency / Foreign Exchange Risks
2. Procurement Risks
3. Business Risks

Major risks arise from two main raw materials viz. Styrene and Butadiene, downstream petrochemical products.

There is an availability risk associated with both since Styrene is not manufactured in the country and is 100% imported. Butadiene is manufactured by only two manufacturers in the country. No hedging instruments are available to hedge their availability and price volatility risk and therefore, the company manages the availability risks partly by monitoring overseas supplies and partly by varying inventory levels.

Hedging is available for Currency / Foreign Exchange risks and is resorted to selectively.

Some of the major raw materials are hazardous and inflammable. The Company has ensured that required Safety equipments and infrastructure are in place as per statutes and global safety standards. Your company is also certified for ISO 14001 and OHSAS 18001, which address all Environmental and Safety Systems and processes. In addition, all the safety measures like safety committee's constant supervision, periodical drills, risks awareness programmes, appropriate treatment of effluents generated, are regularly taken with constant attention from senior level of the management.

The Company has also insured its assets, loss of profits and standing charges for insurable risks.

V. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system exists to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions. Internal Audit is being conducted by an Independent firm of Chartered Accountants. The Partners of both, Statutory and Internal Auditors attend almost all the Audit Committee meetings called for consideration of quarterly financial results and other operating and regulatory items on the agenda.

VI. DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS.

The company continuously monitors its Human Resource requirement to ensure that it has adequate human skills commensurate with its needs.

Cordial relations exist between the employees at various levels and the management.

To upgrade human skills and improve their efficiencies, the company continuously organizes workshops on different management areas and also deposes employees to external workshops and seminars.

CAUTIONARY STATEMENT.

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-

looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include raw material availability and prices, cyclical demand, movements in company’s principal markets, changes in Government regulations, tax regimes, economic developments within and outside India and other incidental factors.

3. WIND POWER

The Wind Turbine Generator installed at Sadawaghapur, Taluka – Patan, District Satara, Maharashtra, has generated gross revenue of about ₹ 119.45 lacs during the financial year (previous year ₹118.90 lacs), and is shown under ‘Other Operating Income’.

4. STATUTORY DISCLOSURES

A. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information sought under the provisions of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure, forming part of this report.

B. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- iii. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That they have prepared the annual accounts on a going concern basis.

C. CORPORATE GOVERNANCE

Your Company has always strived to adopt appropriate standards for good Corporate Governance.

Detailed reports on the Corporate Governance and Management Discussion Analysis, form part of this report. A certificate from the Company’s Auditors regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the said Report.

5. FIXED DEPOSITS MATURED BUT NOT CLAIMED

Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of ₹22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

6. INSURANCE

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as also liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2013-2014.

7. ECOLOGY AND SAFETY

Company ensures safe, healthy and eco-friendly environment at its Plant. Company continually works towards identification and reduction of risks and prevention of pollution at its plant and its surroundings.

Members of the Safety Committee of the Company’s Taloja Plant, have been regularly reviewing the safety measures and their implementation to ensure adequate safety in material handling and processing, control of pollution caused by liquid effluents, dust and emissions from chimney etc. Samples are periodically drawn and the reports submitted to the Pollution Control Board indicating compliance with the standards.

Consent has been obtained from Maharashtra Pollution Control Board to operate the plant at Taloja till **31st December 2014**.

8. PERSONNEL

Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended, is not applicable to the Company as there are no employees drawing remuneration exceeding the prescribed limit.

The Board would like to place on record their appreciation of the contribution made by all employees of the Company during the year.

The industrial relations with the employees were cordial through-out the year.



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9. DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company takes all necessary measures to ensure a harassment free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. No complaints relating to sexual harassment were received during the year.

10. BANKS

Your Directors wish to place on record their appreciation of the support received from the Company's Bankers, State Bank of India and Standard Chartered Bank.

11. DIRECTORS

Mr. Girish C. Choksey retires by rotation and being eligible, offer them-selves for reappointment.

Mr. T. N. V. Ayyar, the independent director of the company, resigned from the office of Director with effect from 31st March 2014 after serving the board for a period of about 17 years. Your Directors wish to place on record their appreciation for his service and contribution made during his tenure as an independent director.

Provision of Section 149(10) of Companies Act 2013 which was notified effective from 1st April 2014 requires that the **Independent Directors** of Company shall hold office for a period of 5 years and shall not be liable to retire by rotation. In compliance with the new Companies Act 2013, your directors propose to appoint S/s M. G. Patel, Bipin V. Jhaveri, Shailesh S. Vaidya, Kamlesh S. Vikamsey and Dr. S. Sivaram as Independent Directors of the Company, not liable to retire by rotation and to hold the office for 5 (Five) consecutive years for a term upto the conclusion of the 33rd Annual General Meeting of the Company in the calendar year 2019. Their consents for the purpose have been obtained by the Company.

The background of the Director(s) proposed for reappointment is given under the Corporate Governance Section of the Annual Report.

12. COMMITTEES OF DIRECTORS:

Pursuant to provision of Section 135(1) of the Companies Act, 2013, your Directors have formed a Corporate Social Responsibility Committee of the Board of Directors, to formulate the Corporate Social Responsibility Policy of the Company and monitor the implementation of the same.

Pursuant to provision of Section 177(3) of the said Act, the Audit Committee of the Board of Directors has been reconstituted with terms of reference pursuant to various provisions of the Companies Act, 2013 and the amended listing agreement with the Stock Exchanges.

Pursuant to provision of Section 178(1) of the said Act, the Remuneration Committee of the Board of Directors, has been reconstituted and named as 'Nomination and Remuneration Committee', with terms of reference pursuant to various provisions of the Companies Act, 2013 and the amended listing agreement with the Stock Exchanges.

Pursuant to provision of Section 178(5) of the said Act, the Shareholders Grievances Committee of the Board of Directors, has been reconstituted and named as 'Stakeholders Relationship Committee', with terms of reference pursuant to various provisions of the Companies Act, 2013.

13. AUDITORS

Pursuant to provisions of Section 139(1) of the Companies Act, 2013, the Auditors of the Company shall be appointed for a period of 5 (five) years who will hold the office till the conclusion of the sixth annual general meeting after their appointment.

M/s. Kalyaniwala & Mistry, Chartered Accountants (Firm Registration no.104607W) were appointed as Statutory Auditors of the Company to hold the office till the conclusion of the ensuing annual general meeting.

Your Board recommends the appointment of the firm M/s. Kalyaniwala & Mistry, Chartered Accountants, Mumbai, as Statutory Auditors of the Company for a period of 5 years, including the financial year 2013-14, to hold the office till the conclusion of the Annual General Meeting of the financial year 2017-18.

FOR AND ON BEHALF OF THE BOARD

**ATUL C. CHOKSEY
CHAIRMAN**

Mumbai: 26th April 2014

ANNEXURE TO DIRECTORS' REPORT

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

A. POWER AND FUEL CONSUMPTION

Electricity:

	2013-14	2012-13
a) Purchased Units ('000 KWH)	6914.21	7571.04
Total amount (₹ In lacs)	548.50	577.82
Rate/Unit (₹)	7.93	7.63
b) Own Generation:		
• Through Wind Turbine Generator at Sadawaghapur, Near Satara, Maharashtra.	1355.50	1482.12
• Through Diesel generator Units ('000 KWH)	17.53	7.07
Units per ltr. of diesel oil	2.30	2.30
Cost/Unit (₹)	27.72	30.83

B. CONSUMPTION PER UNIT OF PRODUCTION

	2013-14	2012-13
Synthetic Rubber including Latices Electricity (KWH/MT)	190	235

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION:

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R & D is carried out by the Company:

The R & D activities of the Company pertain to:

- i. Development of new products to meet changing customer needs.
- ii. Modification of existing products for up-gradation of performance.
- iii. Evaluation of alternative raw materials and identifying sources for cost reduction and flexibility in the input materials management.
- iv. Absorption of imported technology, if any.
- v. Improvement in process technology.

2. Benefits derived as a result of the above R & D.

- i. Company has commercialized a range of latices for paper/board coating industry, construction and carpet industry.
- ii. Improvement in quality consistency of products.
- iii. Customers are less dependent on imported products.

3. Further plan of action:

- i. Continued efforts towards identifying additional end uses for existing products.
- ii. Develop new products and upgrade existing products as per market requirement.

4. Expenditure on R & D during the Financial Year is as follows:

(₹ in lacs)

Particulars	2013-14	2012-13
Capital	10.94	41.86
Recurring	175.10	204.61
Total	186.04	246.47
Total R & D expenditure as a percentage of Total Revenue	0.63%	0.91%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

No new technology has been acquired requiring the above.

IMPORTED TECHNOLOGY

No technology import has been made in the recent past.

OTHERS

Necessary application for renewal of recognition of the in-house R & D facilities of the company has been made to the Department of Scientific & Industrial Research.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given in Note 34 & 35 to the accounts.

FOR AND ON BEHALF OF THE BOARD

Atul Chopsey

**ATUL C. CHOKSEY
CHAIRMAN**

Mumbai: 26th April 2014



CORPORATE GOVERNANCE

I. Company’s Philosophy on Code of Corporate Governance:

The Company is committed to good Corporate Governance practices with the object of increasing benefits for all stakeholders of the Company viz. Shareholders, Customers, Suppliers, Employees and Society in general.

II. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the Listing Agreement with the Stock Exchanges. The Board is comprised of Nine Directors, both executive and non-executive. Mr. Atul Champaklal Choksey is the non-executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj A. Choksey the Managing Director, under the active guidance of the chairman.

Mr. Manubhai G. Patel, Mr. Bipin V. Jhaveri, Dr. S. Sivaram, Mr. Shailesh S. Vaidya and Mr. Kamlesh S. Vikamsey are non-executive, independent directors, who constitute sixty percent (60%) of the total strength of the Board.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymers technology, finance, accountancy and laws. The Board of Directors meets as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board of Directors and of the respective Committee meetings wherever they are members namely, Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee. During the financial year 2013-14, four meetings of the Board of Directors were held on **a) 25th April 2013, b) 3rd August 2013, c) 31st October 2013, and d) 30th January 2014.**

Particulars of the Directors on the Board, and its committee(s) as on 31st March 2014 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/Category of Directorship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman*
Atul C. Choksey	Non- Executive Chairman Promoter	4	Yes	8	--
Abhiraj A. Choksey	Managing Director	4	Yes	3	--
Girish C. Choksey	Non-Executive	2	No	5	1/1
Amit C. Choksey	Non-Executive	4	No	5	-/2
Manubhai G. Patel	Non-Executive, Independent	4	No	3	2/-
Bipin V. Jhaveri	Non-Executive, Independent	4	Yes	5	3/-
Dr. S. Sivaram	Non-Executive, Independent	4	Yes	2	2/-
Shailesh S. Vaidya	Non-Executive, Independent	3	No	3	2/-
Kamlesh S. Vikamsey	Non-Executive, Independent	3	Yes	7	4/4

a) Mr. Atul C. Choksey, Mr. Abhiraj A. Choksey, Mr. Girish C. Choksey and Mr. Amit C. Choksey are related to each other.

b) *Only Membership / Chairmanship in a) Audit Committee, b) Investors’ Grievance Committee c) Remuneration Committee are considered.

III. Board Committees:

A) Audit Committee

The Audit Committee was constituted in April 2000. During the year under review five meetings of the Committee were held on **a) 25th April 2013, b) 3rd August 2013, c) 31st October 2013, d) 30th January 2014 and e) 8th March 2014.**

Pursuant to provisions of Section 177 of the Companies Act, 2013 and other applicable provisions, the Audit Committee has been reconstituted with revised terms of reference prescribed therein in the Board meeting held on 26th April 2014.

The Audit Committee comprises of four directors viz. Mr. M. G.Patel as the Chairman, and Mr. Bipin V. Jhaveri, Mr. Girish C. Choksey, Mr. Kamlesh S. Vikamsey as members. Mr. M. G. Patel, Mr. Bipin V. Jhaveri, Mr. Kamlesh S. Vikamsey are Non- Executive Independent Directors.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Numbers of Meetings held - Five
		Attended
M. G. Patel	Non-Executive, Independent	5
Bipin V. Jhaveri	Non-Executive, Independent	5
Girish C. Choksey	Non-Executive	2
Kamlesh S. Vikamsey	Non-Executive, Independent	4

The role of the Audit Committee includes the followings pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
 - f. Disclosure of any related party transactions
 - g. Reviewing and reporting on qualifications in the draft audit report to the Board of Director
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;
13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification/ changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board;
22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.



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B) Shareholders / Investors Grievances Committee:

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and other applicable provisions, 'Shareholders / Investors Grievances Committee' was reconstituted as '**Stakeholders Relationship Committee**' in the Board meeting held on 26th April 2014.

The committee comprises of three directors viz. a) Mr. M. G. Patel, a non-executive independent Director, Chairman of the reconstituted Committee and b) Mr. Girish C. Choksey and c) Mr. Bipin V. Jhaveri as members.

Terms of Reference of Stakeholders Relationship Committee as set out in the Listing Agreement with the Stock Exchanges read with Section 178 of the Companies Act, 2013 will include the following:

- Considering and resolving the grievances of security holders of the Company
- Overseeing redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The details of correspondences / grievances received and redressed during the financial year 2013-14 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
A	Complaints		
	Directly from Shareholders	63	63
	Stock Exchanges	1	1
	Total (A)	64	64
B	Type of Requests from Shareholders		
	Request for change of address	105	105
	Request for procedure of transfer/transmission of shares /deletion of name	54	54
	Request for change/correction of Bank details/mandate /Ecs details	70	70
	Request for revalidation/issue of fresh demand drafts	120	120
	Issue of Duplicate share certificates	4	4
	Change of Signature	2	2
	Request for stop transfer removal	1	1
	Request for stop transfer / procedure for duplicate	5	5
	Confirmation of details	6	6
	Exchange of Shares	43	43
	Dematerialisation of Shares	3	3
	Total (B)	413	413
	Grand Total (A+B)	477	477

Mr. Anand V. Kumashi, GM – Accounts, Finance and Company Secretary, has been appointed as the Compliance Officer, as required by Clause 47(a) of the Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. He has been entrusted the task of meeting fully the requirements of the said clause and overseeing the share transfer work done by the Registrars and Share Transfer Agents; attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI, and stock exchanges.

There are no pending legal matters, in which the Company has been made a party, before any Court(s) / Consumer Forum(s), SEBI, Department of Company Affairs relating to Investors' grievances / complaints.

With reference to clause 47(f) of the Listing Agreement the Company has designated exclusive e-mail ID as redressal@apcotex.com for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

Details of Service contract with Directors':

Managing Director	Service Contract and Period	Severance Fees
Mr. Abhiraj A. Choksey	Agreement dt. 01-05-2013: Period:01-05-2013 to 30-04-2016	Nil

The Remuneration paid to the Directors of the Company during the financial year, 2013-14 are as under: (₹)

Name of Director	Sitting Fees	Commis- sion	Salary	Allowances	Contribution to Statutory Funds	Perquisites	Total
Executive Director (s)							
Mr. Abhiraj A. Choksey	-	-	19,00,000	40,61,089	5,13,000	2,56,268	67,30,357
Non-Executive Director(s)							
Mr. Atul C. Choksey	40,000	11,40,000	-	-	-	-	11,80,000
Mr. Girish C. Choksey	40,000	-	-	-	-	-	40,000
Mr. Amit C. Choksey	40,000	-	-	-	-	-	40,000
Mr. M.G.Patel	1,00,000	90,000	-	-	-	-	1,90,000
Mr. Bipin V. Jhaveri	1,00,000	90,000	-	-	-	-	1,90,000
Dr. S. Sivaram	50,000	90,000	-	-	-	-	1,40,000
Mr. T. N. V. Ayyar (upto 31/03/2014)	-	-	-	-	-	-	-
Mr. Shailesh S. Vaidya	30,000	90,000	-	-	-	-	1,20,000
Mr. Kamlesh S. Vikamsey	70,000	90,000	-	-	-	-	1,60,000

Statement showing number of Equity Shares of ₹ 5/- each of the company held by the present Executive and Non Executive Directors as on 31st March 2014:

Name of Director(s)	Executive or Non Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non Executive Director	6,67,700	5.464
Abhiraj A. Choksey	Executive Director	2,59,808	2.506
Girish C. Choksey	Non Executive Director	8,900	0.086
Amit C. Choksey	Non Executive Director	55,025	0.531
Manubhai G. Patel	Non Executive Director	274	0.003
Bipin V. Jhaveri	Non Executive Director	--	--
Dr. S. Sivaram	Non Executive Director	--	--
T.N.V. Ayyar (upto 31/03/2014)	Non Executive Director	--	--
Shailesh S. Vaidya	Non Executive Director	--	--
Kamlesh S. Vikamsey	Non Executive Director	--	--

Code of Conduct

The Company has a Code of Conduct for Directors and members of Senior Management. The Code is available on the Company's Website. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

Particulars of Directors retiring by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

1) Name: **MR. GIRISH C. CHOKSEY.**

Age: 71 years

Educational Qualification: Undergraduate

Experience: He has over four decades experience in managing the industries dealing with various types of minerals and chemicals. He is past president of Mineral Merchants Association and Pesticides Formulators Association of India.

The Board of Directors had appointed Mr. Girish C. Choksey as an Additional Director of the Company, liable to retire by rotation with effect from 25th November 1992. He was appointed as Director of the Company in the Annual General Meeting held on 13th August 1993. Mr. Girish C. Choksey is due to retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.



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Mr. Girish C. Choksey holds 8,900 shares in the share capital of the Company.

He is a director on the Board of Directors of the following Public Limited Companies, as at 31st March 2014.

Company	Position	Committee Membership
Cons Holdings Ltd	Director	Nil
Colortek (India) Limited	Director	Nil
Hindustan Mineral Products Company Ltd	Director	Nil
Sammelan Investments and Trading Ltd	Director	Nil
Dhoot Industrial Finance Ltd	Director	Audit Committee (Chairman) Remuneration Committee (Chairman) Investor Grievance Committee (Member)

Particulars of Independent Directors to be appointed at the ensuing Annual General Meeting for a period of 5 years effective from 1st April 2014 who are not liable to retire by rotation:

1) Name: **MR. MANUBHAI G. PATEL.**

Age: 79 years

Educational Qualification: Chartered Accountant

Experience: More than four decades of experience in the field of accounts, finance and taxation. He was a member of Central Council of the Institute of Chartered Accountants of India (ICAI), New Delhi from 1980 to 1988 and active member of various standing and non-standing committees of the ICAI. He was the President of Income Tax Appellate Tribunal Bar Association, Ahmedabad from 1997-98 to 2000-01 and was a Member of Central Direct Tax Advisory Committee, New Delhi from 1986-90.

The Board of Directors had appointed Mr. Manubhai G. Patel as an Additional Director of the Company, liable to retire by rotation with effect from 31st July 1992. He was appointed as Director of the Company in the Annual General Meeting held on 23rd September 1992.

Mr. M. G. Patel holds 274 shares in the share capital of the Company.

He is a director on the Board of Directors of the following Public Limited Companies, as at 31st March 2014.

Company	Position	Committee Membership
Gujarat State Financial Services Ltd	Director	Audit Committee - Chairman Investment committee - Member
Aeonian Investments Co. Ltd	Director	Audit Committee - Chairman

2) Name: **MR. BIPIN V. JHAVERI.**

Age: 75 years

Educational Qualification: B.A, B.Com, FCA and FCS.

Experience: Mr. Bipin V. Jhaveri has over five decades of experience in the field of accounts, corporate finance, taxation and general management. He has been a member of Bhagwati Committee setup by SEBI to suggest changes in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 1997, representing Assochem. He has been serving on various Committees of Assochem, Bombay Chamber of Commerce and Industries and Indian Merchant Chambers.

The Board of Directors had appointed Mr. Bipin V. Jhaveri as an Additional Director of the Company, liable to retire by rotation with effect from 25th November 1992. He was appointed as Director of the Company in the Annual General Meeting held on 13th August 1993.

Mr. Bipin V. Jhaveri does not hold any shares in the share capital of the Company.

He is a director on the Board of Directors of the following Public Limited Companies, as at 31st March 2014.

Company	Position	Committee Membership
Balasesh Leafin Limited	Director	Nil
Mazda Colours Limited	Director	Remuneration Committee- Member
Shyamal Finvest (India) Limited	Director	Nil
Aeonian Investments Co. Ltd	Director	Audit Committee – Member

3) Name: **MR. SHAILESH S. VAIDYA**

Age: 56 years

Educational Qualification: LLB, Solicitor.

Mr. Shailesh S. Vaidya is a law graduate from Government Law College and became Solicitor in the year 1983. Since then he has been practicing as Advocate and Solicitor. He has been partner of M/s. Kanga & Company, a firm of Advocate's and Solicitors, since 1983.

He is presently serving as Member of the Managing Committee of Indian Merchant Chamber and as Chairman of Law, Review, Reforms and Rationalization Committee.

He has expertise in various Laws, including laws and regulations relating to real estate and corporate matters. He is also associated with the Government Law College of Mumbai University and serves on the Board of Directors of various reputed companies as Independent Director.

Your Directors are of the opinion that the Company will immensely benefit from Mr. Shailesh S. Vaidya's expertise in various laws and commend his appointment.

He is a director on the Board of Directors of the following Companies, as at 31st March 2014.

Company	Position	Committee Membership
Premier Limited	Director	Nil
Siyaram Silk Mills Limited	Director	Nil
Avighna India Limited	Director	Nil
Prabhukripa Overseas Limited	Director	Nil

4) Name: **MR. KAMLESH S. VIKAMSEY**

Age: 53 years

Educational Qualification: Chartered Accountant.

Mr. Kamlesh S. Vikamsey completed his graduation from Mumbai University in 1981 and became a Chartered Accountant in the year 1982 and joined the reputed firm of Khimji Kunverji & Co., Chartered Accountants, Mumbai. He is presently a Senior Partner of the said firm.

Mr. Kamlesh S. Vikamsey was elected to the Central Council of The Institute of Chartered Accountants of India (ICAI) in 1998 and remained as Councils Member till 2007. He was Vice President of ICAI in year 2004 and became its President in the year 2005.

In past, he was also associated with the following organizations':

- The Confederation of Asia & Pacific Accountants as Vice President and President
- International Federation of Accountants as Board Member;
- United Nations as Steering Committee Member;
- IRDA as member of Standing Committee on Accounting Issues;

He is also Trustee of:

- Global Vipasana Foundation
- World Opportunity Foundation
- Dnyana Sadhana Trust etc.

He is a director on the Board of Directors of the following Companies, as at 31st March 2014.

Company	Position	Committee Membership
Navneet Education Ltd.	Director	Remuneration Committee -Member
Man Infrastructure Ltd.	Director	Audit Committee -Member
Ramky Infrastructure Ltd.	Director	Remuneration Committee -Chairman
Tribhovandas Bhimji Zaveri Ltd.	Director	Audit Committee -Chairman
		Remuneration Committee -Member
Aditya Birla Retail Ltd.	Director	Audit Committee -Member
		Remuneration Committee -Member
Neptune Developers Ltd.	Director	ESOP Compensation Committee –Member
		IPO Committee - Member
		Remuneration Committee -Chairman
		Audit Committee -Chairman
		Shareholder Grievance Committee- Member
GIC Housing Finance Ltd.	Director	Audit Committee -Member



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5) Name: **DR. S. SIVARAM**

Age: 67 years

Educational Qualification: M.Sc.- Indian Institute of Technology, PHD – Purdue University, W. Lafayette, USA and Research Associate – The Institute of Polymer Science - Akron, USA.

Experience: Dr. S. Sivaram is presently working with National Chemical Laboratory (NCL) as its Director and has over 30 years of experience in research on polymer synthesis, high performance polymers and surface chemistry of polymers. He has to his credit various awards like Silver Medal (2002) from Chemical Research Society of India, Millennium Medal from the Indian Science Congress Association (2000), Distinguished Alumnus Award from I.I.T, Kanpur (1998). He has been conferred PADMA SHRI by President of India (2006).

He is a member of various national and International institutes and visiting faculty in several institutes / universities in India and abroad.

The Board of Directors had appointed Dr. S. Sivaram as an Additional Director of the Company, liable to retire by rotation with effect from 27th March 1996. He was appointed as Director of the Company in the Annual General Meeting held on 23rd September 1996.

Dr.S.Sivaram does not hold any shares in the share capital of the Company.

He is a director on the Board of Directors of the following Public Limited Companies, as at 31st March 2014.

COMPANY	POSITION	COMMITTEE MEMBERSHIP
GMM Pfadler Ltd.	Director	Audit Committee - Member
Asian Paints Ltd.	Director	Nil
Deepak Nitrite Ltd.	Director	Corporate Social Responsibility Committee - Member

General Body Meetings

During the preceding three years, the Company's Annual General Meeting were held at Plot no. 3/1, MIDC Industrial Area, Taloja-410208, Dist. Raigad, Maharashtra.

Details of last three Annual General Meetings Held:

Year	Date	Time	Special resolution/s passed
2012-13	28 th June 2013	11.30 a.m.	Yes (Two)*
2011-12	5 th July 2012	11.30 a.m.	Yes (One)*
2010-11	30 th July 2011	11.30 a.m.	Nil

*Special Resolution/s passed:

2012-13:

- 1) Appointment of Mr. Abhiraj Choksey as Managing Director for a period of 3 years
- 2) Split of equity share of ₹10/- each into two equity share of ₹5/- each.

2011-12:

- 1) For payment of Commission to Directors of the Company other than Managing Director.

Special Resolution passed through postal ballot

No special resolution was passed thorough postal ballot during the financial year 2013-14. None of the business proposed to be transacted in the ensuing Annual General meeting require passing a special resolution through postal ballot.

Disclosures:

Related Party Transactions:

The company has received consent from the Ministry of Corporate Affairs under Section 297 of the Companies Act, 1956 to transact business with the related party viz. Choksey Chemicals Pvt Ltd, for supply of construction chemicals for an estimated value of ₹500 lacs per annum for a period of three years. Accordingly, during the financial year 2013-14, the Company supplied 163.86 MT of construction chemicals worth ₹146.41 lacs at the prevailing market price.

Except the above transaction, there has not been any materially significant related party transaction(s) between the Company and its Directors, promoters etc., that may have potential conflict with the interest of the Company at large. Details of all related party transactions are set out in the notes to Financial Statements as required by Accounting Standard - 18

Risk Management:

The Company has since 2004-05, undertaken the exercise of identifying risks being faced by the company and ways of managing such risks. Risk minimisation is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company.

MD and CFO Certification:

Certificate from Mr. Abhiraj Choksey, Managing Director and Mr. Anand V Kumashi, GM – Accts., Fin. and Company Secretary, in terms of clause 49(V) of the Listing Agreement entered into with Stock Exchanges, was placed before the Board of Directors of the Company in its meeting held on 26th April 2014.

Compliances:

The Company believes that it has complied with all the regulations of Stock Exchanges, Securities and Exchange Board of India (SEBI) or other statutory authority/ties on matters related to capital markets. No penalty has been imposed or strictures passed during the year against the Company by SEBI, Stock Exchange(s), or any other statutory authority.

Means of Communication:

The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Free Press Journal' and 'Navshakti', and displayed on Company's website: www.apcotex.com

Management Discussion and Analysis forms part of the Directors Report.

Green Initiative by MCA

The Ministry of Corporate Affairs has taken a green initiative in the Corporate Governance by allowing paperless compliances by companies vide circular no. 17/95/2011 CL-V dated 21st April 2011, clarifying that the company would have complied with Section 53 of the Companies Act, 1956, if the service of the relevant documents to the shareholders of the Company have been made through electronic mode, provided the company has obtained the email addresses of its members for serving notices/ documents through email by giving an advance notice to every shareholders to register their email address and changes therein from time to time with the company.

Shareholders, who have not done so, are requested to register their e-mail address with the Company's Registrar and Share Transfer Agents or the Compliance officer, in case they wish to get the soft copy of the Annual Report through e-mail, by sending the form duly filled in as given in this annual report. The hard copy of Annual Reports will be provided to them on request.

Compliance:

Certificate from Mr. Mahesh Hurgat, Practicing Company Secretary, (Membership no.-7139) on Corporate Governance, as required by Clause 49 of the Listing Agreement, is incorporated in this Annual Report.

General Shareholders Information:

- a) 28th Annual General Meeting will be held on **Thursday, 31st day of July 2014** at 10.30 a.m. at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra
- b) The Company's financial Year is 1st April to 31st March
- c) Dates of book closure: **Wednesday, 23rd day of July 2014** to **Wednesday, 30th day of July 2014** (both days inclusive) for the Purpose of Annual General meeting and payment of dividend.
- d) Dividend payment date: on or after **1st August 2014**
- e) Listing on Stock Exchanges: The Company's equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd, Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date
- f) Stock Code: Bombay Stock Exchange Limited - 523694
Symbol : National Stock Exchange of India Ltd. – APCOTEXIND
- g) ISIN allotted to Equity Shares is INE116A01024



apcotex industries limited

Market Price Data:

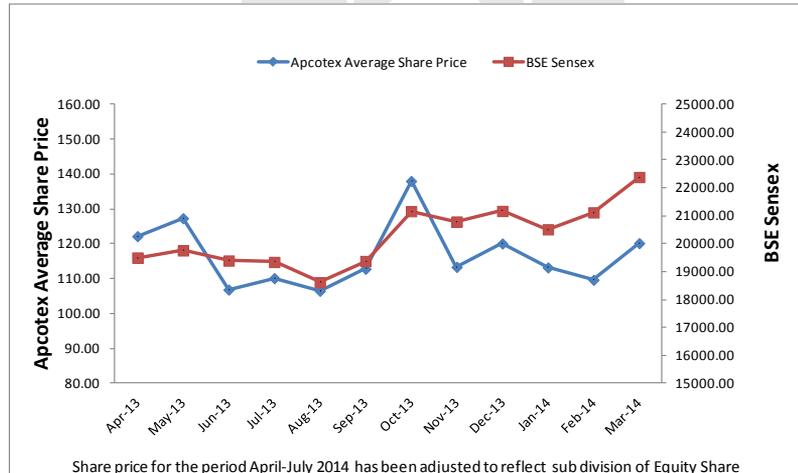
Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year **2013-14**

(Amount in ₹)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
Face value of ₹10/- each				
April	263.40	200.00	259.80	198.15
May	274.50	231.15	274.90	225.00
June	259.90	210.00	274.90	201.85
July	246.00	212.00	245.00	213.10
Upto 13 August	231.90	208.15	238.90	207.40
*From 14 August	118.95	102.00	124.70	100.95
September	116.75	102.50	123.45	101.40
October	154.95	105.00	155.20	110.25
November	134.00	112.60	134.75	112.00
December	124.95	112.00	124.40	112.10
January	133.15	111.25	134.90	111.45
February	116.00	103.65	115.35	103.25
March	122.60	108.35	124.90	109.00

*Each Equity shares of ₹10/- each, fully paid, were sub-divided into 2 Equity Shares of the face value of ₹5/-each, fully paid, pursuant to the resolution passed at the Annual General Meeting held on 28th June 2013.

Stock Performance Index :



Registrars and Share Transfer Agents:

The Company has appointed Link Intime India Pvt Limited as its Registrars and Share Transfer Agents w.e.f 1st August 2006. Share Transfers, dematerialisation of shares, and all other investors related activities are attended and processed at the office of the Registrars and Share Transfer Agents at the following address :

LINK INTIME INDIA PVT LTD

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai-400 078
Tel. No.: (022) 25963838
Fax : (022) 25946969
Email : rnt.helpdesk@linkintime.co.in

Share Transfer System:

Company's shares are compulsorily traded in the demat segment on the stock exchange(s), and most transfers of shares take place in electronic form.

For expediting Physical transfer of shares, the Board has delegated the share transfer formalities to the officials of Registrar and Share Transfer Agent, to approve the transfer of shares on every Monday. Physical transfers are effected well within the stipulated period of 30 days.

Distribution of Share: Distribution of shareholding as on 31st March 2014.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	19,070	93.98	17,13,213	16.52
501 - 1000	640	3.15	4,98,830	4.81
1001 - 2000	284	1.40	4,35,689	4.20
2001 - 3000	90	0.44	2,24,644	2.17
3001 - 4000	49	0.24	1,76,906	1.71
4001 - 5000	33	0.16	1,49,009	1.44
5001 - 10000	62	0.31	4,16,813	4.02
Above 10001	64	0.32	67,53,888	65.14
Total	20292	100.00	1,03,68,992	100.00

Categories of Shareholding as on 31st March 2014:

Sr. No.	Category	No. of Shares	% of shareholding
1.	Promoters' Holding Indian Promoters	59,68,776	57.56
2.	Non promoters' Holding Mutual Funds/Trusts/clearing members	27,251	0.26
	Insurance companies/Banks/Financial Institution	1,090	0.01
	Indian Public	40,05,910	38.63
	Directors/Relatives	274	0.00
	Hindu Undivided Family	5,676	0.05
	Non Resident Indians	1,64,621	1.59
	Other Corporate Bodies	1,95,394	1.88
	Total	1,03,68,992	100.00

Dematerialisation of Shares:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2014, 96,33,388 Equity Shares comprising of 92.91% of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion data and impact on equity: NIL

Other Information:

Corporate Identification Number (CIN No.): L99999MH1986PLC039199

Plant Location:

Plot No.3/1, MIDC Industrial Area
Taloja – 410 208, Dist. Raigad, Maharashtra
Telephone: (022) 2740 3500
Fax : (022) 2741 2052



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Investors Correspondence:

Investor correspondence may be addressed to any of the following:

Registered Office and Plant	Registrar & Share Transfer Agents
Plot No.3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra CIN: L99999MH1986PLC039199 Telephone : (022) 2740 3500 Fax : (022) 2741 2052	LINK INTIME INDIA PVT LTD (formerly Intime Spectrum Registry Ltd) C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400 078 Tel. No. : (022) 2596 3838 Fax : (022) 2594 6969
Website : www.apcotex.com E-mail : redressal@apcotex.com	Website : www.linkintime.co.in E-mail : rnt.helpdesk@linkintime.co.in

Unclaimed Dividend

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are to be transferred to the Investors Education and Protection Fund, administered by the Central Government. The table given below gives the dates of dividend declaration or payment and the corresponding date when unclaimed dividends will be due to be transferred to the Central Government.

Year	Dividend Account No.	Bank name	Date of declaration	Date due for transfer to Central Government
2007-08	036010200012546	AXIS Bank	12/07/2008	11/07/2015
2008-09	00602230012006	HDFC Bank Ltd	27/07/2009	26/07/2016
2009-10	31260068904	State Bank of India	27/07/2010	26/07/2017
2010-11	31847607342	State Bank of India	30/07/2011	29/07/2018
2011-12	32385456081	State Bank of India	05/07/2012	04/07/2019

The concerned shareholders are requested to get their uncashed dividend warrants revalidated and encashed thereafter.

Declaration – Code of Conduct

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31st March 2014, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Place : Taloja

Dated : 26th April 2014

Abhiraj Choksey
Managing Director

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON
CORPORATE GOVERNANCE**

To the **Members of Apcotex Industries Limited**

Taloja, Dist. Raigad, Maharashtra.

I have examined the compliance of conditions of **Corporate Governance** by **Apcotex Industries Limited** for the financial year **2013-14**, as stipulated in Clause 49 of the Listing Agreement entered into by the said Company with the stock exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Mahesh Hurgat

**Practicing company secretary
C.P. No. 2498**

Mumbai: 26th April 2014





apcotex industries limited

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
APCOTEX INDUSTRIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **APCOTEX INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that:
 - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e) on the basis of the written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number - 104607W**

**ERMIN K. IRANI
PARTNER**
Membership Number: 35646
Place: Mumbai
Dated: 26th April 2014

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (1) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date,

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and physical inventory were noticed for the assets verified during the year.
(c) In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.
- 2) (a) The Management has conducted physical verification of inventory at reasonable intervals.
(b) In our opinion, the procedures for physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- 3) (a) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) Consequently, the question of commenting on the rates of interest and the other terms and conditions of the loans granted being prejudicial to the interests of the Company, receipt of regular principal and interest and reasonable steps taken for recovery of principal and interest does not arise.
(c) The Company has not taken any loan, secured or unsecured from Companies, firms and other parties covered in the register maintained under section 301 of the Act.
(d) Consequently, the question of commenting on the rates of interest and the other terms and conditions of the loans taken being prejudicial to the interests of the Company, payment of regular principal and interest and reasonable steps taken for payment of principal and interest does not arise.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed a continuing failure to correct major weakness in the internal controls.
- 5) (a) Based on the audit procedures applied by us according to the information and explanations provided by the Management, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into the Register required to be maintained under that section.
(b) The transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5 lakh with any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where comparable market prices exist.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the provisions of section 58A, 58AA or any other provision of the Companies Act, 1956, read with the rules framed there under are not applicable to the Company.
- 7) In our opinion and according to the information and explanations given to us, the internal audit system is commensurate with the size of the Company and nature of its business.
- 8) We have broadly reviewed the books of accounts maintained by the company in respect of the manufacture of the products where, pursuant to the rules made by the Central Government in respect of the manufacture of cost records has been



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prescribed under clause (d) of sub section (1) of section 209 of the Companies Act 1956, and are of the opinion that, prima facie, the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of records with the view to determine whether they are accurate or complete.

- 9) (a) According to the information and explanations given to us and on the basis of our examination of books of account, during the year, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues outstanding of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty or cess on account of any dispute other than the following:

Sr. No.	Name of the Statute	Nature of Dues	Amount (₹ lakhs)	Period	Forum where dispute is pending
1.	Income Tax Act	Income tax penalty	3.75	2002-03	CIT (A)
		Tax, interest	36.53	2005-06	ITAT
		Tax, Interest	3.77	2006-07	ITAT
		Tax, Interest	208.33	2007-08	CIT(A)
2	PF	PF	36.45	2009 – 2011	EPFAT
3	MVAT Act	VAT	1.70	2006-07	Bombay High Court
		VAT	17.71	2008-09	Joint Commissioner Appeals
4.	Customs Act	Customs Duty & Penalty	142.10	August 2000 to July 2004	Supreme Court
5.	Excise Act	Excise and Penalty	13.59	2003-04 to 2007 – 08	Joint Commissioner
		Excise and Penalty	0.13	2007-08	Tribunal
		Excise and Penalty	4.36	2007 – 08 & 2008 -09	Assistant Commissioner
		Excise and Penalty	2.25	2008 – 09	Assistant Commissioner
		Excise and Penalty	1.59	2008 – 09	Deputy Commissioner
		Excise and Penalty	3.30	2010 -11	Assistant Commissioner, Service Tax
6	Finance Act 1994	Service Tax & Interest	16.12	2005-06 to 2009 - 2010	Assistant Commissioner, Service Tax

- 10) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current year and the immediately preceding financial year.
- 11) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.

- 14) The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities and other investments and timely entries have been made therein. All the shares, securities and other investments have been held by the company in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) According to information and explanations given to us and based on the documents and records produced to us, the term loans were applied for the purpose for which the loans were obtained.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flows of the Company, we report that the Company has not utilized funds raised on short-term basis for long term investments.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company did not issue any debentures during the current year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646

Place: Mumbai
Dated: 26th April 2014





apcotex industries limited

BALANCE SHEET AS ON 31ST MARCH 2014

(₹ In Lacs)

	Notes	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	522.35	522.35
Reserves and Surplus	3	8005.18	7297.44
		<u>8527.53</u>	<u>7819.79</u>
NON CURRENT LIABILITIES			
Long Term Borrowings	4	1669.99	2175.60
Deferred Tax Liability (Net)	5	637.75	657.97
Other Long Term Liabilities	6	102.10	102.23
Long Term Provisions	7	164.13	108.54
		<u>2573.97</u>	<u>3044.34</u>
CURRENT LIABILITIES			
Short Term Borrowings	8	2294.17	2064.27
Trade Payables	9	2501.25	1936.79
Other Current Liabilities	10	1742.78	1688.47
Short Term Provisions	7	723.22	624.73
		<u>7261.42</u>	<u>6314.26</u>
TOTAL		<u>18362.92</u>	<u>17178.39</u>
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	6768.54	6494.28
Intangible Assets	11 B	10.62	4.63
Capital work-in-progress		112.75	136.62
		<u>6891.91</u>	<u>6635.53</u>
Non-current Investments	12	2444.95	2251.55
Long Term Loans and Advances	13	593.68	563.87
Other Non Current Assets	14	100.93	84.79
CURRENT ASSETS			
Inventories	15	1710.04	1079.28
Trade Receivables	16	5170.54	4718.43
Cash and Bank balances	17	612.15	1539.56
Short Term Loans and Advances	13	468.81	266.47
Other Current Assets	18	369.91	38.91
		<u>8331.45</u>	<u>7642.65</u>
TOTAL		<u>18362.92</u>	<u>17178.39</u>
Significant Accounting Policies	1		

The accompanying Notes 1 to 43 are an integral part of the Financial Statements

As per our Report of even date

For KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration Number: 104607W

ERMIN K. IRANI

Partner

Membership Number: 35646

Mumbai : 26th April 2014

For and on behalf of Board of Directors

ATUL C. CHOKSEY

Chairman

ABHIRAJ A. CHOKSEY

Managing Director

MANUBHAI G. PATEL

(Chairman - Audit Committee)

ANAND V. KUMASHI

GM – Accts., Fin. &
Company Secretary

Mumbai : 26th April 2014

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

(₹ In Lacs)

	Note No.	For the year ended 31st March 2014	For the year ended 31st March 2013
INCOME			
Revenue from Operations	19A	33035.43	30262.47
Less: Excise duty		<u>3497.62</u>	<u>3049.84</u>
Revenue from Operations (Net of excise duty)		29537.81	27212.63
Other Operating Revenue	19B	237.88	127.51
Other Income	20	<u>243.41</u>	<u>(1.71)</u>
TOTAL REVENUE		30019.10	27338.43
EXPENSES			
Cost of Materials Consumed	21A	23019.21	20441.75
Changes in Inventories of Finished Goods and Work in Progress	21B	(355.54)	186.38
Employee Benefit Expenses	22	1158.82	1078.11
Other Expenses	23	<u>3440.19</u>	<u>3281.92</u>
TOTAL EXPENSES		<u>27262.68</u>	<u>24988.16</u>
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		2756.42	2350.27
Depreciation and Amortization Expense	24	676.81	311.30
Finance Cost	25	<u>414.49</u>	<u>234.81</u>
PROFIT BEFORE TAX		<u>1665.12</u>	<u>1804.16</u>
Less : Tax Expenses			
Current Tax		371.00	414.00
Deferred Tax	5	<u>(20.20)</u>	<u>109.63</u>
Total Tax Expenses		350.80	523.63
PROFIT AFTER TAX		<u>1314.32</u>	<u>1280.53</u>
Basic and Diluted Earnings per Equity Share of ₹5/- each	41	12.68	12.35
The accompanying Notes 1 to 43 are an integral part of the Financial Statements			

As per our Report of even date

For KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration Number: 104607W

ERMIN K. IRANI

Partner

Membership Number: 35646

Mumbai : 26th April 2014

For and on behalf of Board of Directors

ATUL C. CHOKSEY

ABHIRAJ A. CHOKSEY

MANUBHAI G. PATEL

Chairman

Managing Director

(Chairman - Audit Committee)

ANAND V. KUMASHI

GM – Accts., Fin. &
Company Secretary

Mumbai : 26th April 2014



apcotex industries limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in lacs)

		For the Year ended 31st March 2014	For the Year ended 31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Profit Before Tax		1,665.12	1,804.14
Adjustments for :			
Depreciation and Amortization Expense		676.81	311.30
Finance Cost		414.49	234.81
Fixed Assets Written off		14.98	-
Loss on Sale of Assets		3.44	0.40
Bad Debts Written Off		0.77	-
Provision for Bad and Doubtful Debts		9.33	1.64
(Loss) / Surplus on Sale of Investment		(117.37)	96.59
Dividend Income		(30.02)	(66.85)
Interest received		(21.32)	(9.48)
Income from Investment Property		(22.52)	-
Excess Provision Written back		(70.34)	(10.26)
Operating Profit Before Working Capital Changes		2,523.37	2,362.29
Adjustments for :			
Increase / (Decrease) in Non Current Liabilities		4.35	67.63
Increase / (Decrease) in Current Liabilities		405.54	835.17
(Increase) / Decrease in Non Current Assets		(20.81)	151.45
(Increase) / Decrease in Current Assets		(1,616.21)	(150.73)
Cash Flow Generated from Operations		1,296.24	3,265.81
Direct taxes paid		(306.08)	(474.40)
Net Cash Flow from Operating Activities	(a)	990.16	2,791.41
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets		(578.23)	(2,572.83)
Sale of Fixed Assets		2.89	-
Purchase of Investments		(2,538.16)	(6,462.01)
Sale of Investments		2,473.06	6,153.70
Dividend Income		30.02	66.85
Interest received		21.32	9.48
Income from Investment Property		22.52	-
Net Cash Used in Investing Activities	(b)	(566.58)	(2,804.81)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds / (Repayment) of Short Term Borrowings (Net)		229.90	(1,173.67)
Repayment of Long Term Borrowings		(616.83)	-
Finance Cost paid		(431.21)	(230.64)
Dividends paid		(453.55)	(408.54)
Dividend Distribution Tax paid		(79.30)	(67.29)
Net Cash Used in Financing Activities	(c)	(1,350.99)	(1,880.14)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(a+b+c)	(927.41)	(1,893.54)
Cash and cash equivalents as at 1st April 2013		1,539.56	3,433.10
Cash and cash equivalents as at 31st March 2014		612.15	1,539.56
		927.41	1,893.54
1	The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating , investing and financing activities		
2	Figures in the Bracket are outflows / deductions		
3	Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.		

As per our Report of even date

For KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration Number: 104607W

ERMIN K. IRANI

Partner

Membership Number: 35646

Mumbai : 26th April 2014

For and on behalf of Board of Directors

ATUL C. CHOKSEY

ABHIRAJ A. CHOKSEY

MANUBHAI G. PATEL

Chairman

Managing Director

(Chairman - Audit Committee)

ANAND V. KUMASHI

GM – Accts., Fin. &

Company Secretary

Mumbai : 26th April 2014

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2014

Corporate Information note on business activity

Apcotex Industries Ltd. is one of the leading producers of Synthetic Lattices (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

The financial statements have been prepared under the historical cost conventions and on the 'going concern' basis, with revenue recognized and expenses accounted on their accrual in accordance with Generally Accepted Accounting Principles (GAAP) in India and are in compliance with the applicable Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15 / 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 other relevant provisions of Companies Act 1956.

The classification of assets and liabilities of the Company into current or non-current is based on the criterion specified in the Revised Schedule VI to the Companies Act, 1956. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the disclosures of contingent liabilities. Difference between actual results and the estimates are recognized in the period in which the results materialize / are known.

(iii) Fixed Assets and Depreciation / Amortization

a. Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

Profit or Loss on disposal of tangible assets is recognized in the Statement of Profit and Loss.

b. Depreciation & Amortisation

On Tangible Assets:

The Company has provided depreciation :

- i. On all additions up to 31.03.1994 under Written Down Value Method and at rates specified under Schedule XIV of the Companies Act, 1956.
- ii. On all additions after 31.03.1994 under Straight Line Method and at rates specified under Schedule XIV of the Companies Act, 1956.

On Intangible Assets:

Intangible assets are amortized on SLM method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management.

- i. Computer Software – Written off over a period of three years
- ii. Technical Know - how

In respect of all additions during the year depreciation is provided pro-rata on monthly basis.

c. Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.



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Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods

(iv) **Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

(v) **Investments**

Non-current investments are valued at cost less provision for diminution in value, if the diminution is other than temporary. Current Investments are stated at lower of cost and fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on average cost basis.

(vi) **Inventory**

Inventories are valued at lower of Cost and Net Realizable Value.

Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.

The finished goods inventory is valued at cost, or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties and other costs incurred in bringing the inventories to their present location and condition.

Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.

Stores, Spares and consumables are valued at cost, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities, if any.

Damaged, unserviceable and inert stocks are adequately provided wherever considered necessary.

(vii) **Excise Duty :**

Excise Duty paid on goods manufactured by the Company is accounted for at the time of dispatch of goods from the factories.

Excise Duty payable on goods manufactured is accrued for stocks held in factories at the year-end. Excise Duty paid/payable on goods manufactured by the Company and remaining in stock, is included in the value of Finished Goods. Excise duty related to the difference between the closing stock and opening stock of Finished Goods is recognized in the Statement of Profit and Loss.

(viii) **Transactions in foreign exchange**

(a) **Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

(b) **Measurement of foreign currency items at the Balance Sheet date:**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss. However exchange differences relating to fixed assets have been included in the carrying amount of fixed assets.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

In case of other forward exchange contracts, the difference between the transaction rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. However forward exchange contract relating to fixed assets have been included in the carrying amount of fixed assets.

(ix) Forward Exchange Contracts – Hedging

The company uses forward exchange contracts to hedge its foreign exchange exposures relating to the underlying transactions and firm commitments. The premium on forward contracts taken for purchase of fixed assets are capitalized as the cost of the asset and the premium on other contracts is recognized over the life of the contract in the Statement of Profit or Loss.

(x) Employees' Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits:

Defined contribution plans :

Defined contribution plans are Employee State Insurance Scheme for eligible employees and Government administered Pension Fund Scheme for all employees, Provident Fund Scheme administered by Government, and Superannuation Scheme for eligible employees. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plans

The cost of providing benefit i.e. gratuity is determined using the Projected Unit Credit Method with actuarial valuation carried out as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. The fair value of the planned assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Other long-term employee benefits

Entitlements to annual privilege leave are recognized when they accrue to employees. Privilege leave can be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

(xi) Research and Development

- (a) Capital expenditure is shown separately under respective heads of fixed assets.
- (b) Revenue expenses are included under the respective heads of expenses.

(xii) Taxes on Income

Tax expense comprises current and deferred tax.

Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period in which such credit can be carried forward for set-off.

(xiii) Cash & Cash Equivalent:

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(xiv) Leases - Assets taken on operating lease

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term of the asset.



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(xv) Revenue Recognition:

- (a) Domestic sales are recognized at the point of dispatch of goods to customers, which is when risks and rewards of ownership are passed to the customers. Sales are inclusive of excise duty but net of trade discount and VAT /sales tax.
- (b) Export sales are recognized based on the bill of lading except sales to Nepal which are recognized when the goods cross the Indian Territory, which is when risks and rewards of ownership are passed to the customers.
- (c) Dividend income is recognized when the right to receive the same is established.
- (d) Interest and other income are recognized on accrual basis.
- (e) Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.
- (f) Insurance claims are recognized post filing of the claim with the insurer.

(xvi) Provisions and Contingencies:

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

(xvii) Earnings per Share

Basic and diluted earnings per share are computed by dividing the net profit after taxes attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

(xviii) Measurement of EBITDA

The Company has elected to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit / (loss) from continuing operations.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of ₹ 5/- each (1,49,70,000 Equity Shares of ₹ 10/- each)	1497.00	1497.00
500 Preference Shares of ₹ 100/- each (500 Preference Shares of ₹ 100/- each)	0.50	0.50
50,000 Unclassified Shares of ₹ 5/- each (25,000 Unclassified Shares of ₹ 10/- each)	2.50	2.50
	<u>1500.00</u>	<u>1500.00</u>
Issued, Subscribed and Paid up capital		
1,03,68,992 Equity Shares of ₹ 5/- (51,84,496 Equity Shares of ₹ 10/-) each fully paid. (Including ₹ 3.90 lacs towards 78,051 shares forfeited at ₹ 5/- each)	522.35	522.35
Total	<u>522.35</u>	<u>522.35</u>

Note:

- a) The Company had vide resolution passed at AGM of the Company on 28th June 2013, approved the subdivision of each equity share of the company having face value of ₹ 10/- each fully paid into 2 equity shares of Face Value of ₹ 5 only on 17th August 2013 (Record Date). The authorised equity share capital was also subdivided in 2,99,40,000/- equity shares of ₹ 5 each.
- b) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	5,184,496	522.35	5,184,496	522.35
Add : Increase in the no. of shares on subdivision of each share of ₹ 10 each into 2 equity share of ₹ 5 each during the year	5,184,496	-	-	-
Outstanding at the end of the year	<u>10,368,992</u>	<u>522.35</u>	<u>5,184,496</u>	<u>522.35</u>

c) Details of Shareholders holding more than 5% equity shares in the company

Equity Shares	As at 31st March 2014		As at 31st March 2013	
	No of Shares Face Value of ₹5 Each	% Holding	No of Shares Face Value of ₹10 Each	% Holding
Trivikram Investment & Trading Company Ltd.	1,973,336	19.03	986,668	19.03
Dhumraketu Investment & Trading Company Pvt. Ltd	1,658,952	16.00	829,476	16.00
Atul Champaklal Choksey	667,700	6.44	333,850	6.44
Saldhar Investment & Trading Company Pvt. Ltd	566,544	5.46	282,372	5.45

d) Rights, Preferences & Restrictions attached to Equity Shares:

The Company has one class of share having a par value of ₹5 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

e) Aggregate number of shares & class of shares bought back during the last 5 years:

Financial Year 2009-10	As at 31st March 2014	As at 31st March 2013
No of Equity Shares	342,856	342,856
Face Value per Share bought	10	10
Total Face Value (₹in Lacs)	34.29	34.29
Premium per Share	78.89	78.89
Total Premium (₹in Lacs)	270.49	270.49
Grand Total (₹in Lacs)	304.78	304.78

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Redemption Reserve	34.30	34.30
(b) Share Premium	3084.11	3084.11
(c) General Reserve		
As per last Balance Sheet	1618.93	1490.88
Add : Transfer from Statement of Profit and Loss	131.50	128.05
	1750.43	1618.93
(d) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	2560.10	1953.53
Add : Net profit after tax transferred from Statement of Profit and Loss	1314.32	1280.53
Amount available for appropriation	3874.42	3234.06
Less: Appropriations		
Dividend on Equity shares:		
- Proposed Dividend [₹5 per share of ₹5 each, (Previous year ₹ 9 per share of ₹10 each)]	518.46	466.60
Dividend Distribution Tax	88.11	79.30
Transfer to General Reserve	131.50	128.05
	3136.35	2560.10
Total	8005.18	7297.44

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 4 : LONG TERM BORROWINGS		
Term Loan		
Secured		
From Bank	1669.99	2175.60
	1669.99	2175.60

Notes:

- 1a. Borrowing are in the form of Term Loan (ECB) carrying an Interest rate of LIBOR + 2.5% to LIBOR + 3.5% and secured by hypothecation of the Company's entire Plant & Machinery by way of first charge;
- 1b. Repayment - During November 2013, Company has taken forward cover through 'Call Option' for repayment of remaining principal instalments of ECB.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

2. Repayment schedule of Term Loan:		(₹ In Lacs)
Financial Year	Amount	Amount
2014-15	-	725.20
2015-16	833.43	725.20
2016-17	836.56	725.20
3. Default in terms of repayment of principal and interest – NIL;		
4. Foreign currency loan due for Repayment during the next Twelve months considered in Other Current Liabilities is ₹ 833.43 lacs (Previous Year ₹543.90 lacs)		

Note 5: DEFERRED TAX LIABILITY (NET)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2014 are as follows:

	(₹ In Lacs)	
	As at	As at
	31st March 2014	31st March 2013
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	621.32	674.01
Depreciation on Scientific Research Assets	61.75	37.09
Others	-	60.10
Total deferred tax liabilities	683.07	771.20
Deferred tax assets		
Provision for leave encashment	35.49	55.48
Provision for doubtful debts	3.17	-
Provision for bonus	6.66	-
Others	-	57.75
Total deferred tax assets	45.32	113.23
Net Deferred tax liability/(assets)	637.75	657.97

	(₹ In Lacs)	
	As at	As at
	31st March 2014	31st March 2013
Note 6: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	102.10	102.23
	102.10	102.23

Note:

Sundry deposits includes refundable Security Deposits accepted from Dealer's, carrying interest rate of 9% p.a.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	Long -Term		Short -Term	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2014	As at 31st March 2013
NOTE 7. PROVISIONS				
Employee liabilities				
Leave Encashment	69.82	65.35	16.22	13.91
Proposed Dividend	-	-	518.45	466.60
Provision for Dividend Distribution Tax	-	-	88.11	79.30
Income Tax	94.31	43.19	100.44	64.92
	<u>164.13</u>	<u>108.54</u>	<u>723.22</u>	<u>624.73</u>

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 8 : SHORT TERM BORROWINGS		
Loan repayable on demand from banks		
Secured		
Cash Credit/Working Capital Demand Loan	2294.17	2064.27
	<u>2294.17</u>	<u>2064.27</u>

Note :

1. Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The borrowing carry an interest rate in the range of 10.25% to 13.65%
2. Default in terms of repayment of principal and interest – NIL.

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables (Refer note 42 (for Details of due to Small, Medium Enterprises))	2501.25	1936.79
	<u>2501.25</u>	<u>1936.79</u>
Note: Amount due to Related Parties:		
Apco Enterprises Limited	12.12	5.85
Trivikram Investment & Trading Co. Ltd	-	1.62

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 10. OTHER CURRENT LIABILITIES		
Other Payables		
Current Maturities of Long-term debt	833.43	543.90
Interest accrued but not due on borrowings	28.09	52.60
Statutory Payables:		
Central Sales Tax and VAT	0.20	3.40
Service Tax	-	(4.24)
Excise duty on Closing Stock	54.54	30.06
TDS under Income tax	23.22	20.81
Providend Fund, Profession Tax and ESIC	8.93	8.77
Payable to Employees:		
Salaries & Wages	77.91	68.43
Bonus	21.09	23.91
Incentives	18.00	60.41
Gratuity	18.38	42.67
Unpaid/ Unclaimed dividend	34.59	21.53
Unclaimed Fixed Deposits and Interest thereon	0.70	0.76
Other Liabilities:		
Payable for Expenses	121.83	182.85
Payable for Capital Goods	78.16	136.18
Commission to Non Exe. Directors	16.00	20.00
Advances received from Customers	110.09	3.64
Outstanding Expenses	297.62	472.79
	1742.78	1688.47

Note: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE 11A & 11B : FIXED ASSETS

(₹ in lacs)

	Gross Block				Depreciation			Net Block Value		
	As at 01.04.2013	Additions	Deletions/ Adjustments	As at 31.03.2014	Upto 01.04.2013	For the Period	Deletions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
A. Tangible Assets :										
Leasehold Land	7.64	-	-	7.64	2.56	0.10	-	2.67	4.98	5.08
Buildings	2493.44	49.66	(30.98)	2512.12	705.28	66.42	(20.75)	750.95	1761.17	1788.16
Plant and Equipment	5902.21	765.12	(185.68)	6481.65	3244.25	381.24	(191.99)	3433.50	3048.15	2657.99
Scientific Research Equipments	294.50	10.94	-	305.44	110.14	13.58	-	123.72	181.72	184.35
Furnitures & office equipments	164.93	30.85	3.33	199.11	94.64	10.73	2.96	108.33	90.79	70.28
Vehicles	180.75	30.81	(14.76)	196.80	63.27	18.29	(8.52)	73.04	123.76	117.48
Electric & Pipe Fittings	1660.89	155.52	(166.16)	1650.25	505.66	152.14	(82.15)	575.65	1074.60	1155.23
Wind Turbine Generator	612.79	-	-	612.79	97.08	32.36	(0.01)	129.42	483.37	515.72
Total tangible assets	11317.16	1042.90	(394.25)	11965.82	4822.88	674.86	(300.47)	5197.28	6768.54	6494.28
B. Intangible Assets :										
Computer Softwares	54.36	7.86	-	62.22	49.73	1.87	-	51.60	10.62	4.63
Total intangible assets	54.36	7.86	0.00	62.22	49.73	1.87	-	51.60	10.62	4.63
Total (A+B)	11371.52	1050.77	(394.25)	12028.04	4872.61	676.73	(300.47)	5248.87	6779.16	-
Previous year	7739.67	3631.83	-	11371.51	4561.31	311.30	-	4872.61	-	6498.91
Capital Work-in-progress									112.75	136.62
									6891.91	6635.53

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
NOTE 12: NON CURRENT INVESTMENTS			
(A)	INVESTMENT PROPERTY (at cost less accumulated depreciation)		
	Buildings given on Operating Lease:		
	Opening Gross Block	-	-
	Add: Transfer from Fixed Assets during the year	30.86	-
	Closing Gross Block	30.86	-
	Less:		
	Opening Accumulated Depreciation	-	-
	Add: Transfer from Accumulated depreciation during the year	19.86	-
	Add: Depreciation for the year	0.08	-
	Closing Accumulated Depreciation	19.93	-
	Net Block (a)	10.93	-

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
(B)	LONG TERM INVESTMENTS		
1)	UNQUOTED		
i)	TRADE INVESTMENTS		
	1 333 Ordinary Shares of Bombay Mercantile Co-op. Bank Ltd., Mumbai of the face value of ₹30/- fully paid	0.10	0.10
		<u>0.10</u>	<u>0.10</u>
ii)	NON-TRADE INVESTMENTS		
	1 120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of ₹10/- fully paid	16.00	16.00
		<u>16.00</u>	<u>16.00</u>
iii)	INVESTMENTS IN MUTUAL FUNDS		
	1 197101.984 Units (P. Y. 197101.984 Units) Birla Sun Life Frontline Equity Fund - Growth	125.38	125.38
	2 400000 Units (P. Y. Nil Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	-
	3 Nil Units (P. Y. 382542.167 Units) DSP BlackRock Micro Cap Fund-Regular Plan	-	66.00
	4 Nil Units (P. Y. 58645.707 Units) HDFC Top 200 Fund (G)	-	112.50
	5 Nil Units (P. Y. 423919.327 Units) HDFC Mid-Cap Opportunities Growth	-	66.00
	6 1020385.797 Units (P. Y. 824499.411 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	180.00	140.00
	7 1294054.87 Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	194.00	194.00
	8 2748674.592 Units (P. Y. 1981214.884 units) of DWS Gilt Fund - Regular Growth	350.00	250.00
	9 370000 Units (P. Y. Nil units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	-
	10 450.0288 Units (P. Y. Nil units) of Kotak Floater Short Term - Daily Div	4.55	-
	11 575721.811 Units (P. Y. Nil units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	-
	12 16928.446 Units (P. Y. Nil units) of Franklin India Prima Fund (G)	60.00	-
	13 333172.3 Units (P. Y. Nil units) of SBI Bluechip Fund - Regular Plan (GR)	60.00	-
	14 141333.434 Units (P. Y. Nil units) of IDFC Sterling Equity Fund (GR)	30.00	-
		<u>1140.93</u>	<u>953.88</u>



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

		(₹ in lacs)	
		As at 31st March 2014	As at 31st March 2013
2)	QUOTED		
	i) NON-TRADE INVESTMENTS		
	1 40800 (P. Y. 4080) Equity Shares of Asian Paints Ltd of the face value of ₹ 1/- fully paid <i>(Includes Stock Split 1:10)</i>	4.99	4.99
	2 Nil (P. Y. 10000) Equity Shares of Tata Motors Ltd of the face value of ₹ 2/- fully paid	-	1.52
	3 1000 (P. Y. 1000) Equity Shares of Axis Bank of the face value of ₹ 10/- fully paid	-	-
	4 Nil (P. Y. 100) Equity Shares of Cable Corporation Of India Ltd of the face value of ₹ 10/- fully paid	-	-
	5 Nil (P. Y. 299) Equity Shares of Dish TV of the face value of ₹ 1/- fully paid	-	-
	6 Nil (P. Y. 8) Equity Shares of Infosys Ltd of the face value of ₹ 5/- fully paid	-	-
	7 300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of ₹ 10/- fully paid	-	-
	8 Nil (P. Y. 800) Equity Shares of Oswal Chemical & Fertilizer of the face value of ₹ 10/- fully paid	-	-
	9 Nil (P. Y. 1100) Equity Shares of Pentamedia Graphics of the face value of ₹ 1/- fully paid	-	-
	10 Nil (P. Y. 80) Equity Shares of Ranbaxy Laboratories of the face value of ₹ 5/- fully paid	-	-
	11 Nil (P. Y. 200) Equity Shares of Usha Martin Education & Solution of the face value of ₹ 1/- fully paid	-	-
	12 Nil (P. Y. 260) Equity Shares of Siti Cable Network Ltd of the face value of ₹ 1/- fully paid	-	-
	13 100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of ₹ 5/- fully paid	-	-
	14 1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of ₹ 10/- fully paid	-	-
	15 1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of ₹ 10/- fully paid	-	-
	16 Nil (P. Y. 18250) Equity Shares of Exide Industries Ltd of the face value of ₹ 1/- fully paid	-	21.63
	17 Nil (P. Y. 26950) Equity Shares of Opto Circuits India Ltd of the face value of ₹ 10/- fully paid	-	38.95

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
18 Nil (P. Y. 900) Equity Shares of Oracle Financial Services Software Ltd of the face value of ₹ 5/- fully paid	-	19.97
19 6350 (P. Y. 7000) Equity Shares of Lupin Ltd of the face value of ₹ 2/- fully paid	47.74	21.42
20 Nil (P. Y. 9150) Equity Shares of Mahindra Holidays & Resorts India Ltd of the face value of ₹ 10/- fully paid	0.00	41.64
21 3200 (P. Y. 3850) Equity Shares of Jammu & Kashmir Bank Ltd of the face value of ₹ 10/- fully paid	28.15	33.53
22 18550 (P. Y. 17500) Equity Shares of Sun TV Network Ltd of the face value of ₹ 5/- fully paid	66.67	63.20
23 4950 (P. Y. 4700) Equity Shares of Axis Bank Ltd. of the face value of ₹ 10/- fully paid	49.03	51.40
24 28650 (P. Y. 28650) Equity Shares of United Phosphorous Ltd. of the face value of ₹ 2/- fully paid	43.78	43.83
25 Nil (P. Y. 22700) Equity Shares of Muthoot Finance Ltd. of the face value of ₹ 10/- fully paid	-	36.62
26 Nil (P. Y. 20600) Equity Shares of Cox & Kings Ltd. of the face value of ₹ 5/- fully paid	-	41.47
27 7400 (P. Y. 13670) Equity Shares of ING Vysya Bank Ltd. of the face value of ₹ 10/- fully paid	46.26	50.66
28 Nil (P. Y. 39450) Equity Shares of Jain Irrigation Systems Ltd. of the face value of ₹ 2/- fully paid	-	38.62
29 17200 (P. Y. 23200) Equity Shares of Kajaria Ceramics Ltd. of the face value of ₹ 2/- fully paid	44.83	60.53
30 10350 (P. Y. 10350) Equity Shares of IPCA Laboratories Ltd. of the face value of ₹ 2/- fully paid	33.90	33.90
31 22800 (P. Y. 24000) Equity Shares of Mahindra & Mahindra Financial Services Ltd. of the face value of ₹ 2/- fully paid	58.08	34.70
32 24500 (P. Y. 24500) Equity Shares of KPIT Cummins Infosystems Ltd. of the face value of ₹ 2/- fully paid	25.39	25.39
33 2000 (P. Y. 3700) Equity Shares of Mindtree Ltd. of the face value of ₹ 10/- fully paid	13.77	24.47
34 8025 (P. Y. 3600) Equity Shares of Cadila Healthcare Ltd. of the face value of ₹ 5/- fully paid	67.95	32.90
35 Nil (P. Y. 26100) Equity Shares of Sterlite Inds (Ind) Ltd of the face value of ₹ 1/- fully paid	-	26.67
36 6725 (P. Y. Nil) Equity Shares of Tech Mahindra of the face value of ₹ 10/- fully paid	73.92	-



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
37	6175 (P. Y. Nil) Equity Shares of Havells India Ltd. of the face value of ₹ 5/- fully paid	39.86	-
38	5100 (P. Y. Nil) Equity Shares of Reliance Industries Ltd. of the face value of ₹ 10/- fully paid	45.25	-
39	12500 (P. Y. Nil) Equity Shares of Bajaj Electricals of the face value of ₹ 2/- fully paid	27.97	-
40	2725 (P. Y. Nil) Equity Shares of Larsen & Toubro Ltd. of the face value of ₹ 10/- fully paid	33.41	-
41	8165 (P. Y. 3284) Equity Shares of Sudarshan Chemical Industries Ltd. of the face value of ₹ 10/- fully paid	37.29	22.12
42	Nil (P. Y. 1404) Equity Shares of Bayer Cropscience Ltd. of the face value of ₹ 10/- fully paid	-	12.39
43	Nil (P. Y. 41387) Equity Shares of RPG Life Sciences Ltd. of the face value of ₹ 8/- fully paid	-	28.29
44	49930 (P. Y. 49175) Equity Shares of KEC International Ltd. of the face value of ₹ 2/- fully paid	23.61	27.52
45	Nil (P. Y. 2611) Equity Shares of Honda Siel Power Products Ltd. of the face value of ₹ 10/- fully paid	-	7.69
46	Nil (P. Y. 1955) Equity Shares of Ingersoll-Rand (India) Ltd. of the face value of ₹ 10/- fully paid	-	7.45
47	Nil (P. Y. 11190) Equity Shares of CESC Ltd. of the face value of ₹ 10/- fully paid	-	32.01
48	40519 (P. Y. 23182) Equity Shares of JMC Projects of the face value of ₹ 10/- fully paid	37.90	24.18
49	Nil (P. Y. 7150) Equity Shares of Tata Elxsi of the face value of ₹ 10/- fully paid	-	14.52
50	Nil (P. Y. 2124) Equity Shares of Cmc Limited of the face value of ₹ 10/- fully paid	-	22.13
51	11219 (P. Y. 12624) Equity Shares of Zensar Tech of the face value of ₹ 10/- fully paid	29.26	29.36
52	Nil (P. Y. 9377) Equity Shares of ITD Cementation Ltd of the face value of ₹ 10/- fully paid	-	19.80
53	Nil (P. Y. 4032) Equity Shares of Sundaram Finance of the face value of ₹ 10/- fully paid	-	16.41
54	Nil (P. Y. 1529) Equity Shares of Abbott India of the face value of ₹ 10/- fully paid	-	22.30
55	Nil (P. Y. 15950) Equity Shares of Greaves Cotton of the face value of ₹ 2/- fully paid	-	10.07
56	Nil (P. Y. 25550) Equity Shares of JB Chem & Pharma of the face value of ₹ 2/- fully paid	-	21.43

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
57 Nil (P. Y. 7377) Equity Shares of Hikal Ltd of the face value of ₹ 10/- fully paid	-	27.73
58 9677 (P. Y. 9307) Equity Shares of Deepak Nitrite of the face value of ₹ 10/- fully paid	21.02	19.82
59 41445 (P. Y. 29717) Equity Shares of Kalpataru Power Transmission Ltd of the face value of ₹ 2/- fully paid	34.56	25.57
60 Nil (P. Y. 62005) Equity Shares of TV18 Broadcast Ltd of the face value of ₹ 2/- fully paid	-	20.82
61 7313 (P. Y. 1751) Equity Shares of Merck Ltd of the face value of ₹ 10/- fully paid	45.39	11.01
62 23370 (P. Y. Nil) Equity Shares of Tata Global Beverages of the face value of ₹ 1/- fully paid	35.65	-
63 1357 (P. Y. Nil) Equity Shares of Tech Mahindra of the face value of ₹ 10/- fully paid	23.75	-
64 11235 (P. Y. Nil) Equity Shares of Godrej Properties of the face value of ₹ 5/- fully paid	18.93	-
65 13235 (P. Y. Nil) Equity Shares of Coromandel International Ltd of the face value of ₹ 1/- fully paid	29.89	-
66 120360 (P. Y. Nil) Equity Shares of TV18 Broadcast Ltd. of the face value of ₹ 2/- fully paid	28.17	-
67 1580 (P. Y. Nil) Equity Shares of Tata Coffee Ltd of the face value of ₹ 10/- fully paid	14.87	-
68 24500 (P. Y. 18700) Equity Shares of Kotak Nifty ETF of the face value of ₹ 10/- fully paid	145.75	110.94
	1276.99	1281.57
Total of Long Term Investments (b)	2434.02	2251.55
Total (a+b)	2444.95	2251.55

(₹ in lacs)

AGGREGATE MARKET VALUE OF INVESTMENTS	As at 31st March 2014	As at 31st March 2013
QUOTED INVESTMENTS	1848.22	1528.16



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	Long Term		Short Term	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2014	As at 31st March 2013
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	-	-	96.86	-
Sundry deposits	272.22	267.27	1.50	13.50
	<u>272.22</u>	<u>267.27</u>	<u>98.36</u>	<u>13.50</u>
B. Loans and advances to Trust				
Advance contribution to Gratuity Fund Trust	2.67	3.78	-	-
C. Other loans and advances				
Advances to Vendor	-	-	136.52	16.22
Balance with Excise and service tax	-	-	228.83	221.66
Provident Fund under protest	10.94	-	-	-
Excise Duty under protest	0.40	0.40	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	99.12	84.09	-	-
Advances to employees	-	-	5.10	15.09
	<u>318.79</u>	<u>292.82</u>	<u>370.45</u>	<u>252.97</u>
	<u>593.68</u>	<u>563.87</u>	<u>468.81</u>	<u>266.47</u>

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 14: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	9.33	1.64
Less:- Provision for Doutful Debt	9.33	1.64
	-	-
Fixed Deposits with Banks	11.72	-
Sales Tax Refund Receivable	89.21	84.79
	<u>100.93</u>	<u>84.79</u>

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 15: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	759.00	549.11
(b) Packing materials	27.43	17.36
(c) Finished goods	587.28	297.30
(d) Work-in-progress	98.23	32.67
(e) Stores, spares and consumables	238.10	182.84
	<u>1710.04</u>	<u>1079.28</u>

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 16: TRADE RECEIVABLES (Unsecured and considered good)		
Overdue for more than six months	3.86	23.31
Others	5166.68	4695.12
	<u>5170.54</u>	<u>4718.43</u>
Note: Amount due from private company in which any director is a director of that company		
(I) Choksey Chemical Pvt. Ltd	65.98	35.86

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	7.20	6.43
(b) Balances with Banks :		
(i) Balances with Bank Accounts	394.83	252.56
(ii) EEFC A/c	123.77	169.75
(c) Investment in Liquid Mutual Funds (See note below)	5.00	1051.34
B. Other bank balances-earmarked		
(i) Unpaid dividend	34.59	21.53
(ii) Deposit with bank - Margin	46.76	37.95
	<u>612.15</u>	<u>1539.56</u>

(₹ In Lacs)

Details of Investment in Liquid Mutual Funds	As at 31st March 2014	As at 31st March 2013
Unquoted Investments in Mutual Funds:		
NIL Units (P. Y. 7709500.748 Units) of HDFC Cash Mgt Fund-Treasury Adv Plan-Retail-Wkly Div Reinvst	-	774.55
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
NIL Units (P. Y. 27131.556 units) of SBI HF-Ultra Short Term Fund-Retail Plan-DD	-	271.78
	<u>5.00</u>	<u>1051.34</u>



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	As at 31st March 2014	As at 31st March 2013
NOTE 18: OTHER CURRENT ASSETS (Unsecured and considered good)		
Interest Receivable	0.56	0.29
Discount Receivable	5.72	4.24
Advances to Vendors	71.89	-
Octroi Receivable	0.37	-
Excise Duty Refund (Exports)	240.83	9.80
Export Incentive Receivable	42.53	24.18
Other Receivables	8.01	0.40
	<u>369.91</u>	<u>38.91</u>

(₹ In Lacs)

	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic (Net of Returns)	29576.68	27732.77
(b) Exports	3458.75	2529.70
Turnover	<u>33035.43</u>	30262.47
Less: Excise duty	3497.62	3049.84
Sale of products	<u>29537.81</u>	<u>27212.63</u>
(B) Other operating revenues:		
(a) Income From Wind Mill Operation (Net)	72.41	77.74
(b) Scrap sales	15.96	6.27
(c) Export Incentives	101.10	43.50
(d) Insurance Claim	28.36	-
(e) Other Income	20.05	-
	<u>237.88</u>	127.51
	<u>29775.69</u>	<u>27340.14</u>

Note:-

Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods manufactured by the company.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

	(₹ In Lacs)	
	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 20: OTHER INCOME		
(a) Interest Income	21.32	9.48
(b) Dividend Received		
From Non Current Investments	30.02	66.85
(c) (Loss)/Surplus on sale of Non- Current Investments	107.11	(96.59)
(d) Income from rent	22.52	12.26
(e) Other Income	17.32	0.16
(f) Foreign Exchange Fluctuation Difference	45.12	6.13
	<u>243.41</u>	<u>(1.71)</u>

	(₹ In Lacs)	
	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	549.11	595.90
Add : Purchases	22449.37	19806.06
	<u>22998.48</u>	<u>20401.96</u>
Less: Sale of Raw Materials	29.77	-
	<u>22968.71</u>	<u>20401.96</u>
Less: Closing Stock	759.00	549.11
	<u>22209.71</u>	<u>19852.85</u>
Packing Materials Consumed		
Opening Stock	17.36	22.76
Add : Purchases	791.21	583.50
	<u>808.57</u>	<u>606.26</u>
Less : Closing Stock	27.43	17.36
	<u>781.14</u>	<u>588.90</u>
Loss of Material	28.36	-
	<u>23019.21</u>	<u>20441.75</u>



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

(₹ In Lacs)

	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Stock at the beginning of the year		
Finished Goods	297.30	483.68
Work-in-Progress	32.67	32.67
Total (A)	329.97	516.35
Stock at the end of the year		
Finished Goods	587.28	297.30
Work-in-Progress	98.23	32.67
Total(B)	685.51	329.97
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE (A-B)	(355.54)	186.38

(₹ In Lacs)

	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries ,wages and allowances	919.40	842.54
Wages and allowances to Contract Labour	68.34	73.10
Contribution to Provident and other Funds	73.05	67.98
Staff welfare expenses	98.03	94.49
	1158.82	1078.11

(₹ In Lacs)

	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
NOTE 23 : OTHER EXPENSES		
Stores and spares consumed	133.34	188.25
Power and fuel	680.14	715.11
Repairs and Maintenance		
Buildings	50.59	175.89
Machinery	156.71	157.56
Other assets	52.93	29.17
Rent	5.43	8.74
Rates and taxes	78.42	63.53
Insurance	34.88	36.65
Sales Discount & Rebates	404.80	325.56
Freight and transport charges	865.49	695.98
Advertisement	28.28	19.73
Printing, stationary, postage and telephones	52.99	56.34

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

	(₹ In Lacs)	
	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Travelling Expenses		
Directors	64.82	54.57
Others	133.58	127.90
Commission on sales	142.00	111.74
Loss on sale/discarded assets	3.44	0.40
Fixed Assets Written off	14.98	-
Bad Debts Written off	0.77	-
Provision for Bad & Doubtful Debts	9.33	1.64
Donation	2.60	2.58
Bank Charges	56.92	16.34
Miscellaneous expenses	507.61	463.84
Commission to Non Executive Directors	16.00	20.00
Directors' meeting fees	4.70	3.54
Auditors Remuneration (Ref. Note No. 28)	7.17	4.90
Excess Provision written back	(70.34)	(10.26)
Prior year Expenses (Net) (Refer Note No 29)	2.61	12.22
	<u>3440.19</u>	<u>3281.92</u>
Note:		
Miscellaneous expenses include Excise duty of ₹24.48 lacs { Previous year ₹(39.64) lacs } being the difference of excise duty between the opening & closing stock of finished goods.		

	(₹ In Lacs)	
	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	674.86	309.60
Depreciation on Intangible Assets (Refer Note 11 B)	1.87	1.70
Depreciation on Investment Property (Refer Note 12 A)	0.08	-
	<u>676.81</u>	<u>311.30</u>

	(₹ In Lacs)	
	For the Year Ended 31st March 2014	For the Year Ended 31st March 2013
Note 25 : FINANCE COST		
Interest on Borrowings	406.74	222.61
Other Finance costs	7.75	12.20
	<u>414.49</u>	<u>234.81</u>



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

26. Estimated amount of contracts to be executed on capital account and not provided for ₹74.70 lacs (Net of advances ₹ 96.86 lacs. [Previous Year: ₹ 323.00 lacs (Net of Advances of ₹Nil)])

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] ₹ 760.54 lacs (P.Y. ₹ 582.12 Lacs).

(₹ in Lacs)

Particulars	As at 31 st March 2014	As at 31 st March 2013
Income Tax liabilities on account of disputed claims	393.67	252.39
Disputed demand from RCFPF for PF	36.45	-
Excise Duty, Service Tax and Customs Duty	183.44	329.73
Show Cause notices / Demands under MVAT disputed by the company	29.61	-
Open Letters of Credit	117.37	-

27.1 Income Tax liability of ₹ 208.33 lacs (Previous Year: ₹ 208.33 lacs) is in respect of capital gains.

27.2 Customs authorities have raised a demand and penalty of ₹ 142.09 lac each which the Company has disputed and paid ₹ 142.09 lacs under protest. The penalty amount of ₹ 142.09 lacs has been disclosed as contingent.

28. Auditors Remuneration

(₹ in Lacs)

	For the Year Ended 31 st March 2014	For the Year Ended 31 st March 2013
Statutory Audit	5.50	3.50
Tax Audit	1.50	0.75
Certification fees and other services	0.05	0.50
Reimbursement of Expenses	0.12	0.15
Total	7.17	4.90

*(Net of Service Tax)

29. Prior Period Items

(₹ in Lacs)

	For the year ended March 31, 2014	For the year ended March 31, 2013
Prior Period Expenses		
Salary, Wages and Allowances	0.07	-
Freight and Transportation Charges	0.19	0.11
Bank Charges	0.43	-
Other Finance Costs	3.79	4.43
Travelling Expenses - Others	0.15	1.30
Miscellaneous Expenses	2.60	6.62
Total A	7.23	12.46
Prior Period Income		
Dividend	4.07	-
Donation Written Back	0.15	-
Export Incentives	-	0.24
Other Income	0.40	-
Total B	4.62	0.24
Net (A – B)	2.61	12.22

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

30. Value of Imports on CIF basis:

(₹ in Lacs)

Particulars	For the Year Ended 31 st March 2014	For the Year Ended 31 st March 2013
Raw Materials	2224.52	1773.71
Stores and Spares	31.75	6.13
Capital Goods	-	260.56

31. Details of Imported and Indigenous Raw Materials, Components and Spare Parts consumed during the financial year:

(₹ in Lacs)

Particulars	For the Year Ended 31 st March 2014	% To Total	For the Year Ended 31 st March 2013	% To Total
Raw Materials				
Imported	5148.64	23.18	2034.12	10.25
Indigenous	17061.07	76.82	17818.73	89.75
	<u>22209.71</u>	<u>100.00</u>	<u>19852.85</u>	<u>100.00</u>
Stores and Spares:				
Imported	1.88	1.41	7.94	4.22
Indigenous	131.46	98.59	180.31	95.78
	<u>133.34</u>	<u>100.00</u>	<u>188.25</u>	<u>100.00</u>

32. Value of Raw Material Consumed:

(₹ in Lacs)

	For the Year Ended 31 st March 2014	For the Year Ended 31 st March 2013
Monomers	19782.06	17790.53
Others	2427.65	2062.32
Total	<u>22209.71</u>	<u>19852.85</u>

33. Capitalization of Exchange Rate Difference on foreign currency loan & related interest cost.

(₹ In Lacs)

	For the Year Ended 31 st March 2014	For the Year Ended 31 st March 2013
Exchange Rate Difference related to Foreign Currency loan	400.79	283.46
Interest on Foreign Currency Loan (Net)	-	117.46
Total	<u>400.79</u>	<u>400.92</u>

34. Earnings in foreign currency

(₹ in Lacs)

	For the Year Ended 31 st March 2014	For the Year Ended 31 st March 2013
Export of Goods on F.O.B. basis	3389.09	2469.17



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

35. Expenditure in foreign Currency

(₹ in Lacs)

	Particulars	For the Year Ended	
		31 st March 2014	31 st March 2013
a.	Professional Fees (including reimbursement)	23.84	37.64
b.	Interest	169.32	170.98
c.	Foreign Travel	66.60	46.78
d.	Sales Commission	42.11	9.63
e.	Others	5.18	14.25

36. Details on Derivative Instruments and Un-hedged foreign currency exposures:

(i) Derivative Instruments outstanding:

A. Forward Exchange Contracts

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding (ECB Loan)	1	-	-	-
USD	4001000	-	-	-
INR Equivalent (₹ in Lacs)	2503.42	-	-	-

B. Interest Rate Swap Contracts

Particulars	As at 31 st March 2014	As at 31 st March 2013
Total Number of Contracts	1	1
Principal Notional Amount US \$	4001000	5000000
Maturity Period	Upto 3 Years	Upto 3 Years

(ii) The foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	US\$	₹ in Lacs	US\$	₹ in Lacs
Payables : ECB	-	-	5000000	2716.78
Trade and Other Payables	623617	374.79	359222	195.38
Receivables : Trade Receivables	244206	134.53	267313	145.39

37. Segment information

The Company operates in a single primary business segment, i.e. leading producers of Synthetic Lattices and Synthetic Rubber. Therefore, the separate segment information on primary segment is not given in terms of the Accounting Standard 17, on 'Segment Reporting' issued by the Institute of Chartered Accountants of India. The information pertaining to the company's secondary segment i.e. geographical is given below:

Secondary segment Information:

The Company's operations are managed from India. The principal geographical areas in which the Company operates are India, Middle East and Asian Countries.

Secondary segment information with respect to geographical location

Particulars	Revenue for the year ended March 31, 2014	Trade Receivable as at March 31, 2014	Revenue for the year ended March 31, 2013	Trade Receivable as at March 31, 2013
India	29576.69	5036.00	27732.77	4573.04
Outside India	3458.75	134.53	2529.70	145.39

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

38. As per requirement of Accounting standard for related parties transaction (AS 18) issued by ICAI:

A. Name of Related Party and nature of relationship

(Disclosure made to the extent of information available)

(i) Person(s) having controlling interest

- a) Shri Atul C Choksey – Chairman & Non Executive Director

(ii) Enterprises over which the Company's Directors exercise significant influence

- a) Abhiraj Trading & Investments Pvt. Limited
b) Aeonian Investments Company Limited
c) Amisha Buildcon Private Limited
d) Apco Enterprises Limited
e) Aquamarine Trading & Investments Pvt. Limited
f) Balasesh Leafin Limited
g) Bhuvantray Investments & Trading Co. Pvt. Limited
h) Choksey Structural Engineering Private Limited
i) Choksey Chemical Pvt. Limited
j) Cons Holdings Limited
k) Cybele Paradise Pvt Ltd
l) Dhumraketu Investments & Trading Company Pvt.Ltd.
m) Forest Hills Trading & Investments Pvt. Limited
n) Gauriputra Investments & Trading Co. Pvt. Limited
o) Haridwar Trading & Investments Pvt. Limited
p) HMP Mineral Pvt. Limited
q) Joshimath Trading & Investments Pvt. Limited
r) Laxmanjhula Trading & Investments Pvt. Limited
s) Mazda Colours Limited
t) Propycon Trading & Investments Private Limited
u) Saldhar Investments & Trading Company Pvt. Limited
v) Sammelan Investment & Trading Limited
w) Shyamal Finvest (India) Limited
x) Hindustan Mineral Products Co. Limited
y) Titan Trading & Agencies Limited
z) Trivikram Investments & Trading Company Limited

(iii) Key Management Personnel and their relatives :

- a) Shri. Abhiraj A. Choksey – Managing Director - Key Management Personnel



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

B. Related Party Transactions

(₹ in Lacs)

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel
Income				
a.	Sale of Goods			
	Choksey Chemicals Pvt. Ltd	-	146.41 <i>(88.59)</i>	-
	Mazda Colours Ltd.	-	- <i>(00.10)</i>	-
Expenses				
a.	Rent and Other expenses (Reimbursement)			
	Apco Enterprises Limited	-	17.36 <i>(8.89)</i>	-
	Trivikram Investment & Trading Co Ltd.	-	6.45 <i>(21.23)</i>	-
b.	Remuneration			
	Shri. Abhiraj A. Choksey	-	-	67.30 <i>(56.72)</i>
c.	Reimbursement of Medical Expenses			
	Shri Atul C Choksey	1.47 <i>(1.25)</i>	-	-
d.	Commission to Non-Executive Directors			
	Shri Atul C Choksey	11.40 <i>(15.43)</i>	-	-

(Previous Year figures have been shown in brackets and italics)

C. Closing Balances

(₹ in Lacs)

Sr. No.	Name of the Related Party	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance				
a.	Apco Enterprises Limited	-	12.12 <i>(5.85)</i>	-
b.	Trivikram Investment & Trading Co Ltd.	-	- <i>(1.62)</i>	-
c.	Shri. Abhiraj A. Choksey – Salary Payable	-	-	2.32 <i>(2.37)</i>
d.	Shri Atul C Choksey – Commission Payable	11.40/- <i>(15.43)</i>	-	-
Outstanding Receivable Balance				
a.	Choksey Chemicals Pvt. Ltd	-	65.98 <i>(35.86)</i>	-
b.	Mazda Colours Ltd.	-	- <i>(-)</i>	-

(Previous Year figures have been shown in brackets and italics)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

39. Disclosure as per Accounting Standard 15 (Revised)

i. Contribution to Defined Contribution Plans

Payment for Employers Contribution to Provident Fund, recognized as expense is ₹ 2,906.350/-

ii. Contribution to Defined Benefit Plans

The following table sets out the status of the Gratuity Plan as required under AS 15 (Revised).

(₹ in Lacs)

	31 st March 2014	31 st March 2013
Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the year	149.59	126.01
Interest Cost	12.34	10.71
Current Service Cost	13.16	11.94
(Benefits Paid)	(3.82)	(0.50)
Actuarial (Gain) / Loss on obligations	(0.24)	1.43
Present Value of Benefit Obligation at the end of the year	171.03	149.59
Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	106.92	98.78
Expected Return on Plan Assets	8.82	8.40
Contributions	40.44	-
(Benefits Paid)	(3.82)	(0.50)
Actuarial Gain / (Loss) on Plan Assets	0.28	0.24
Fair Value of Plan Asset at the end of the year	152.64	106.92
Recognition of Actuarial Gain / Losses		
Actuarial (Gain)/Loss for the year – Obligation	(0.24)	(1.43)
Actuarial (Gain) / Loss for the year – Plan Assets	(0.28)	0.24
Total (Gain)/Loss for the year	(0.52)	(1.19)
Actuarial (Gain)/Loss recognized in the year	(0.52)	(1.19)
Expenses recognized in the Statement of Profit & Loss		
Current Service Cost	13.16	11.94
Interest Cost	12.34	10.71
(Expected Return on Plan assets)	(8.82)	(8.40)
Actuarial (Gain)/Loss	(0.52)	1.18
Expenses Recognized in the Statement of Profit & Loss	16.16	15.44
Amount to be recognized in the Balance Sheet		
Present Value of Obligation as at the end of the year	171.03	149.59
Fair value of plan asset as at the end of the year	152.64	106.92
Net Asset/ (Liability) recognized in the Balance Sheet	(18.39)	(42.67)
Actuarial Assumptions		
Discount Rate	9.32%	8.25%
Salary Escalation	5.50%	5.50%
Rate of Return on Plan Assets	9.32%	8.25%
Investment details		
Insurer Managed Fund	100.00%	100.00%
Total	100.00%	100.00%



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

iii. Actuarial Assumptions of Past 5 years - Gratuity

Gratuity	31 st March 2014	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010
a. Discount Rate per Annum	9.32%	8.25%	8.50%	8.00%	8.00%
b. Expected Rate of Return on Assets (per annum)	9.32%	8.25%	8.50%	8.00%	8.00%
c. Salary Escalation Rate	5.50%	5.50%	5.50%	5.00%	5.00%

iv. Defined Benefit Plan for 5 years

(₹ in Lacs)

Gratuity	31 st March 2014	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010
Net Asset / (Liability) recognized in the Balance Sheet					
d. Present value of Obligation as at the end of the year	171.03	149.59	126.01	83.51	69.58
e. Fair value of plan asset as at the end of the year	152.64	106.92	98.78	71.87	73.47
f. Net Asset / (Liability) recognized in the Balance Sheet	(18.39)	(42.67)	(27.23)	11.64	3.88
Change in Defined Benefit Obligation during the year ended					
Actuarial Gain / (Loss)	(0.24)	1.43	32.09	(18.22)	5.98
Change in Fair Value of Plan Assets					
Actuarial Gain / (Loss)	(0.28)	(0.24)	(0.48)	-	-

40. Operating Leases:

The Company lease agreement are in respect of operating lease of vehicles. The lease rental recognized in the profit and loss during the year and lease agreements obligations for the period is as per given table:

(₹ in Lacs)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Lease payment recognized in P&L	3.48	3.82
Future Lease Commitment		
- Within One Year	3.48	3.48
- Later than one year but not later than five years	5.73	9.22

41. Earnings per Equity Share:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
a. Profit Computation for both Basic and diluted earnings per equity share of ₹5 each. Net profit as per Statement of Profit and Loss available for equity shareholders (₹in Lacs.)	1314.33	1280.50
b. Number of Shares*	10368992	10368992
c. Earnings per Share – Basic and Diluted	12.68	12.35

*The equity shares of the company having face value of ₹10 each have been subdivided into 2 equity shares of ₹5 each effective 17th August 2013, pursuant to the approval of the shareholders on 28th of June 2013. In accordance with AS 20 – Earnings Per Share, the per share for the year ended 31st March 2014 and the previous periods have been presented based on the revised number of shares to make them comparable.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014

42. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2013-14, to the extent of the Company has received intimation from the suppliers regarding their status under the Act.

(₹ in Lacs)

	As at 31 st March 2014	As at 31 st March 2013
(i) Principle amount remaining unpaid	4.22	3.01
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the period	-	-
(iv) Interest due and payable for the period of delay in making of payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro Small and Medium Enterprises Act, 2006.	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

43. Previous year's figures have been audited by a firm of chartered accountants other than Kalyaniwalla & Mistry. The opening balances are being taken as per the previous year's accounts, which have been regrouped and reclassified wherever necessary to confirm to the current year presentation.

As per our Report of even date

For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646

Mumbai : 26th April 2014

For and on behalf of Board of Directors

ATUL C. CHOKSEY Chairman
ABHIRAJ A. CHOKSEY Managing Director
MANUBHAI G. PATEL (Chairman - Audit Committee)

ANAND V. KUMASHI GM – Accts., Fin. & Company Secretary

Mumbai : 26th April 2014



apcotex industries limited

PERFORMANCE SUMMARY

₹ In lacs

	Growth in comparison to previous year	2013-14	2012-13	2011-12	2010-11	2009-10
Revenues						
Gross Sales	9.16%	33035.43	30262.47	27789.76	22165.76	15681.96
Net Sales	8.54%	29537.81	27212.63	25384.72	20191.96	14307.57
Other Income	282.58%	481.29	125.80	339.58	359.42	96.80
Cost						
Material Consumed	9.87%	22663.67	20628.13	19327.65	15069.78	10229.49
Employee's Remuneration and Benefits	7.49%	1158.82	1078.11	1008.51	777.48	636.60
Other Expenses (Incl Finance Cost)	9.60%	3852.07	3514.78	3374.59	2864.46	2132.80
Gross Profit	10.73%	2344.54	2117.41	2013.55	1839.66	1405.48
Depreciation		676.81	311.30	278.64	264.76	198.95
Earlier year adjustments (Income)		2.61	1.96	103.72	68.06	-50.73
Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)	17.28%	2756.42	2350.26	2275.88	2026.02	1504.68
Profit before tax	-7.71%	1665.12	1804.16	1631.20	1506.83	1155.80
Profit after tax	2.64%	1314.32	1280.53	1146.38	1072.36	832.79
Earning Per Shares		12.68	24.70	22.11	20.68	15.26
Capital Accounts						
Share Capital		522.35	522.35	522.35	522.35	522.35
Reserves and Surplus		8005.18	7297.44	6455.32	5897.08	5247.88
Gross Block		12028.04	11371.51	7739.67	7216.86	6912.2
Total Investments		2449.95	3302.89	3553.12	2550.04	1938.39

Note : (Includes Investments in Liquid Mutual Funds which is part of cash and cash equivalents.)

Certified True Copy
or apcotex Industries Limited

Authorised Signatory





apcotex industries limited

Plot No. 3/1, MIDC Industrial Area, P.O. Taloja, Dist. Raigad 410 208, Maharashtra

ATTENDANCE SLIP

Folio No./DP ID or BEN NO.: _____

I/We hereby record my/our presence at the **28th Annual General Meeting** at the Registered Office of the Company **Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra on Thursday, the 31st day of July 2014 at 10.30 a.m.**

Name of the Shareholder/Proxyholder

Signature of Shareholder/Proxyholder

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE



apcotex industries limited

Plot No. 3/1, MIDC Industrial Area, P.O. Taloja, Dist. Raigad 410 208, Maharashtra

PROXY FORM

Folio No./DP ID or BEN NO.: _____

I/We _____

being a Member /Member(s) of APCOTEX INDUSTRIES LIMITED, hereby appoint _____

_____ of _____

or failing him/her _____ of _____

or failing him / her _____ of _____

as my / our proxy to attend and vote to me/us on my/our behalf at the **28th Annual General Meeting** at the Registered Office of the Company **Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra on Thursday, the 31st day of July 2014 at 10.30 a.m.** or at adjournment thereof.

AS WITNESS my had/our hands this _____ day of _____ 2014.

Signature. _____

Affix
Revenue
Stamp

NOTE: The Proxy Form must be deposited at the Registered Office of the Company at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra not less than 48 hours before the time for holding the Meeting.

BOOK-POST

If undelivered, please return to :



apcotex industries limited

Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra



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APCOTEX INDUSTRIES LIMITED

BOARD OF DIRECTORS

Atul C. Choksey	Chairman
Girish C. Choksey	Director
Amit C. Choksey	Director
Manubhai G. Patel	Director
Bipin V. Jhaveri (upto 10/10/2014)	Director
Dr. S. Sivaram	Director
Shailesh S. Vaidya	Director
Kamlesh S. Vikamsey	Director
Priyamvada Bhumkar (w.e.f. 31/10/2014)	Director
Abhiraj A. Choksey	Managing Director

AUDIT COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member
Bipin V. Jhaveri (upto 10/10/2014)	Member
Kamlesh S. Vikamsey	Member
Priyamvada Bhumkar (w.e.f. 31/10/2014)	Member

NOMINATION & REMUNERATION COMMITTEE

Manubhai G. Patel	Chairman
Dr. S. Sivaram	Member
Atul C. Choksey	Member
Bipin V. Jhaveri (upto 10/10/2014)	Member
Kamlesh S. Vikamsey (w.e.f. 20/03/2015)	Member

COMPANY SECRETARY

Anand V. Kumashi

AUDITORS

Kalyaniwalla & Mistry
Chartered Accountants

BANKERS

State Bank of India
Standard Chartered Bank

REGISTERED OFFICE & FACTORY

Plot No.3/1, MID C Industrial Area,
P.O. Talaja,
Dist. Raigad 410 208, Maharashtra.
CIN: L99999MH1986PLC039199
Telephone: (022) 2740 3500
Fax: (022) 2741 2052
E-mail – redressal@apcotex.com
Website: www.apcotex.com

REGISTRARS AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup(w),
Mumbai- 400 078
Tel. No.- 2596 3838, 2594 6970 Fax – 2594 6969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

STAKEHOLDER RELATIONSHIP COMMITTEE

Manubhai G. Patel	Member
Girish C. Choksey	Member
Bipin V. Jhaveri (upto 10/10/2014)	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Atul C. Choksey	Member
Shailesh S. Vaidya	Member
Abhiraj A. Choksey	Member

CORPORATE OFFICE

N. K. Mehta International House,
178, Backbay Reclamation,
Babubhai M. Chinai Marg,
Mumbai- 400 020
Telephone: (022) 2283 8302 / 04
Fax: (022) 2283 8291

Certified True Copy
of apcotex Industries Limited



Authorised Signatory





apcotex industries limited

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NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of **apcotex industries limited** will be held at the Registered Office of the Company at **Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra** on **Friday, the 31st day of July 2015 at 4.00 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement for the year ended 31st March 2015 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Amit Champaklal Choksey (DIN 00001470), who retires by rotation and, being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No.104607W) having their office at Kalpataru Heritage, 5th Floor, 127 M.G. Road, Mumbai 400 023, who were appointed as the Statutory Auditors of the Company to hold the office from the conclusion of 2014 Annual General Meeting till the conclusion of the 2018 Annual General Meeting of the Company, be and is hereby ratified, to hold the office till the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. To consider appointment of Mrs. Priyamvada A. Bhumkar (DIN00726138) as a Director, as an Independent Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Priyamvada A. Bhumkar (DIN 00726138), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st October 2014 under Section 161 (1) of the Companies Act (“the Act”) and The Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mrs. Priyamvada A. Bhumkar for the office of Director be and is hereby appointed as a Director of the Company.”

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, The Companies (Appointment and Qualification of Directors) Rules 2014 (including any

statutory modifications or re-enactment(s) thereof for the time being in force), Clause 49 of the Listing Agreement and in pursuance of General Circular 14/2014 dated 9th June 2014, Mrs. Priyamvada A. Bhumkar (DIN 00726138), who has submitted a declaration that she meets the criteria of Independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director of the Company to hold the office for a term of five (5) consecutive years for a term upto 31st October 2019.

**BY ORDER OF THE BOARD
For apcotex industries limited**

Date: 8th May 2015

ANAND V. KUMASHI
Company Secretary

Registered Office:

Plot no. 3/1,
MIDC Industrial Area,
Taloja - 410 208,
Dist. Raigad, Maharashtra

NOTES:

1. The relevant statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A statement giving the relevant detail of the Directors seeking appointment/ re-appointment, as required by Clause 49 of the Listing Agreement entered into with the stock exchanges are provided in the Corporate Governance Report.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself and a proxy need not be a member of the company.

The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the meeting.

4. A person can act as a proxy on behalf of the members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

5. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen



apcotex industries limited

- signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / folio no. and also requested to handover the same for admission to meeting hall where Annual General Meeting is proposed to be held.
 7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote at the Meeting.
 8. As a measure of austerity, copies of the Annual Report will not be distributed at AGM. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.
 9. Relevant documents referred in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during the business hours upto the date of the Meeting.
 10. The Register of Shareholders and Share Transfer Books of the Company will remain closed from **Friday, the 24th day of July 2015 to Thursday, the 30th day of July 2015** (inclusive of both days).
 11. Dividend recommended by Board of Directors, if approved by the shareholders at the Annual General Meeting, will be paid / dispatched on or after **1st August 2015** to those shareholders whose names appear on the Register of Shareholders as on **24th July 2015**. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of **24th July 2015**, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
 12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
 13. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) the Company has transferred the unclaimed dividends upto the financial year 2005-06 from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of Information regarding unpaid / unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st July 2014 (date of last Annual General Meeting) on the website of the Company viz. www.apcotex.com, and also on the website of the Ministry of Corporate Affairs viz. www.mca.gov.in.
 14. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialised form are advised to make a nomination through their Depository Participants. The nomination form can be obtained from Company's Registrars and Share Transfer agent viz. **LINK INTIME INDIA PVT LTD.**
 15. Shareholders are requested to notify the changes, if any, in their address, e-mail id., nomination details etc. to the Company's Registrars for physical shareholding and to Depository Participants for holding in electronic form, immediately.
 16. The company is using National Electronic Clearing Services (NECS) for dividend remittance. Shareholders holding shares in physical form are requested to notify/ send to the Company's Registrar and Share Transfer Agent at: **LINK INTIME INDIA PVT LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup-(W), Mumbai-400 078**, immediately, details of any change in their address/mandate / bank details; and particulars of their bank account, in case the same have not been sent earlier.
 17. Shareholders holding shares in the electronic form are requested to inform any change in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.
- E-VOTING:**
- Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Clause 35B of the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to provide the facility to members to exercise their right to vote by electronic means.
- The e-voting period will commence at **9.00 am on 27th July 2015** and will end at **5.00 pm on 30th July 2015**. The Company has appointed Mr. Mahesh Hurgat, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes casted by remote e-voting and voting at the Annual General Meeting by physical ballot form. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
- Members have an option to vote either through e-voting or through physical ballot form. If a member has opted for e-voting then he/she should not vote by physical ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting then e-voting shall prevail and voting done through physical ballot shall be treated as invalid.

For e-voting facility the Company has signed an agreement with NSDL for facilitating e-voting.

The instructions for members for voting electronically are as under:

The E-voting will begin at 9.00 am on 27th July 2015 and ends at 5.00 pm on 30th July 2015. During this period the members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 24th July 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

- a) Launch the internet browser by typing the following URL: <https://www.evoting.nsd.com>.
- b) Click on "Shareholder-Login" to cast your vote.
- c) Enter your credentials (i.e. User Id and password). Members, whose e-mail addresses are registered with the Company / Depository Participant, are being informed their user Id and password details by email. Please use this password as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing user Id and password for login.
- d) If you are logging in for the first time, Password Change Menu appears. Change the password of your choice with minimum 8 digits/ characters or a combination thereof. Please note the new password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- e) Home page of "e-voting" opens. Click on "e-voting": Active Voting Cycles.
- f) Select "EVEN (E-Voting Event Number)" of APCOTEX INDUSTRIES LIMITED. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- g) Now you are ready for "e-voting" as "Cast Vote" Page opens.
- h) Members holding multiple folio's/ demat accounts shall choose voting process separately for each of the folio's/ Demat accounts.
- i) Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
- j) Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter etc. together with the attested specimen signature(s) of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer Mr. Mahesh Hurgat, Practising Company Secretary through email at: mkhurgat@gmail.com with a copy marked to evoting@nsdl.co.in.

- k) Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.
- l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "downloads" section of <https://www.evoting.nsd.com> or contact NSDL by email at evoting@nsdl.co.in.
- m) The voting rights of the member shall be in proportion to the paid up value of their shares in the equity capital of the company as on the cut off date, being 24th July 2015.
- n) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 24th July 2015, may obtain the User ID and password in the manner as mentioned below:
 - i) If e-mail address of the member is registered against Folio No. / DP ID / Client ID, then on the home page of www.evoting.nsd.com the members may click "Forgot Password" and enter Folio No. or DP ID / Client ID and PAN to generate a password.
 - ii) Member may call NSDL toll free number 1800-222-990
If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- o) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
- p) The result declared will be available on the website of the Company i.e. www.apcotex.com and on NSDL's website: URL: <https://www.evoting.nsd.com> within 3 days of passing of the resolutions and communications of same to BSE Ltd and NSE India Ltd.
- q) The results on the resolution shall be declared after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of requisite number of votes in favor of the resolution.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

Item No.5

The Board of Directors in their meeting held on 31st October 2014 have appointed Mrs. Priyamvada A. Bhumkar as Additional Director of the Company pursuant to provisions of Section 161(1) of the Act and Articles of Association of the



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Company.

In terms of the provisions of Section 161(1) of the Act, Mrs. Priyamvada A. Bhumkar would hold the office upto the conclusion of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along-with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Priyamvada A. Bhumkar for the office of the Director of the Company.

Mrs. Priyamvada A. Bhumkar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence for getting appointed as Independent Director on the Board. As per the said Section 149, an Independent Director can hold the office for a term upto 5 (Five) years on the Board of the Company and not subjected to retirement by rotation.

The Company has received the declarations from the said Director stating that she meet all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

Mrs. Priyamvada A. Bhumkar possess appropriate skills, experience and knowledge, inter alia in the field of finance, business strategy etc.

In the opinion of the Board, Mrs. Priyamvada A. Bhumkar fulfills the conditions for her appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Agreement. Mrs. Priyamvada A. Bhumkar is independent of the management.

Brief resume of Mrs. Priyamvada A. Bhumkar, nature of her expertise in specific function areas and names of companies in which she holds directorship and memberships /

chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Considering the vast experience and knowledge, it will be in the interest of the Company that Mrs. Priyamvada A. Bhumkar is appointed as an Independent Director. Copy of the draft letter for appointment of Mrs. Priyamvada A. Bhumkar as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered office of the Company.

Save and except Mrs. Priyamvada A. Bhumkar and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD
For apcotex industries limited

ANAND V. KUMASHI
Company Secretary

Date: 8th May 2015

Registered Office:
Plot no. 3/1,
MIDC Industrial Area,
Taloja - 410 208,
Dist. Raigad, Maharashtra

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Twenty-Ninth Annual Report of the Company and the audited Statements of Accounts for the year ended 31st March 2015.

A. COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

Particulars	2014-15 (₹ In Lacs)	2013-14 (₹ In Lacs)	Growth %
GROSS SALES	39114.46	33035.43	18.40
Gross Profit Before Depreciation, Finance cost and Tax but after prior years' adjustments	4704.83	2756.42	70.69
Less: a) Depreciation	897.71	676.81	
b) Finance Cost	324.25	414.49	
Profit Before Tax	3482.85	1665.12	109.16
Less: a) Provision for Tax	1018.50	371.00	
b) Adjustment for Deferred Tax Liability	(3.71)	(20.21)	
Profit After Tax	2468.06	1314.32	87.78
Add: Balance brought forward from the Previous Year	3136.36	2560.11	
Disposable Profit	5604.42	3874.43	44.65
Recommended Appropriations:			
a) Dividend	725.83	518.45	40.00
b) Tax on Dividend	147.77	88.11	67.70
c) Transfer to General Reserve	800.00	131.50	
Balance carried forward to Balance Sheet	3930.82	3136.37	
	5604.42	3874.43	

DIVIDEND

Your Directors have recommended a dividend @ ₹ 7.00 (Rupees Seven) (Previous year ₹ 5/- (Rupees Five)) per Equity Share of ₹ 5.00/- each, for the financial year 2014-15. Dividend, if approved, will absorb a sum of ₹ 873.59 lacs (including Dividend Distribution Tax of ₹ 147.76 lacs) out of the net profits after tax, as above and will be paid to those shareholders whose names appear on the Register of Members on **Friday 24th July 2015**.

TRANSFER TO RESERVE

The appropriations for the year are:

(Rupees in lacs)

Particulars	Year ended 31 st March 2015
Net Profit after tax for the year	2468.06
Balance of Reserve at the beginning of the year	1603.72
Transfer to General Reserve	800.00
Balance of Reserve at the end of the year	2403.72

B. MANAGEMENT DISCUSSION AND ANALYSIS

The company manufactures and markets a range of Emulsion Polymers - Synthetic Latexes and Synthetic Rubber.

I. CURRENT SCENARIO.

Your Company is one of the leading producers of polymer products namely, Synthetic Latexes (Vinyl Pyridine Latex, Carboxylated Styrene Butadiene Latex, Styrene Acrylic Latex, Nitrile Latex, etc.) and also Synthetic Rubber (High Styrene Rubber) in India. The Company has one of the broadest ranges of products in the industrial segments and caters to a wide range of industries. Company's Synthetic Latexes products are used, among other applications, for tyre cord dipping, paper and paperboard coating, carpet backing, concrete modification/water proofing, non-wovens, textile finishing, paints, etc.,. Various grades of Synthetic Rubber find application in products such as footwear, automotive components, moulded items, v-belts, conveyor belts, hoses, etc.

The Company's major raw materials are petrochemical products and its business is vulnerable to high volatility in the prices of crude oil and its downstream products. This financial year the lower prices of crude oil and downstream petro-chemicals was advantageous to the company since most input material costs decreased significantly towards the second half of the year. The Company was able to manage inventories well and secure good prices on input materials.

A number of steps have been taken by the management to improve the operational efficiency of the Company in different functions like marketing, human resource development, production process, utilities etc.

Your company is recipient of Total Productive Maintenance (TPM) Excellence in Consistent TPM Commitment Award - Category A by the Japan



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Institute of Plant Maintenance (JIPM). TPM has helped the company significantly in improving efficiencies in plant and in operations and rationalizing costs. During the previous year, your Company has successfully completed re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001. During the year under review your company has been allowed by Indian Chemical Council (ICC) to use "Responsible Care" logo for a period of one year till July 2015, which will be renewed thereafter after the audit.

II. OPERATIONS DURING THE FINANCIAL YEAR 2014-15.

During the year, the Company achieved Gross Value Sales of ₹ 39114.46 lacs, registering a growth of 18.40%, compared to that of the preceding year. The company exported its products worth ₹ 6899.46 lacs compared to exports of ₹ 3470.88 lacs during the previous year, a growth of 98.78%.

The Synthetic Rubber Latex business has registered volume sales growth of 27.32%, and Synthetic Rubber business has registered volume growth of about 23%, as compared to the volume sale during the previous financial year.

There was a continuous thrust from the management to develop a strong research and development and technical service team to develop new products for export markets, explore new applications and understand better the changing customer needs.

Profits before tax registered a growth of 109% to ₹ 3482.85 lacs as compared to ₹ 1665.13 lacs during the previous year due to better realizations, lower raw material costs, product/customer mix and exports with good margins. EBITDA increased by about 71% from ₹ 2756.43 lacs in the previous year to ₹ 4704.83 lacs in FY 2014-15.

The profit after tax stood at ₹ 2468.06 lacs as compared to ₹ 1314.33 lacs in the previous year.

The Balance Sheet of the Company is also quite healthy with Debt/Equity ratio of 0.21, reasonable Working Capital cycle and Cash/Liquid Investments valued at ₹ 49.11 crore based on NAV as on March 31, 2015.

Your Directors consider Company's performance as satisfactory.

III. OUTLOOK.

The Company expects FY 2015-16 to be more challenging since we already have a fairly high market share across all segments in India and overall growth of the economy has been slow. Introduction of new products and exports are short term future growth drivers for the Company. In the medium to long term the Company is exploring adding new capacities for current products, new adjacent businesses as well as opportunities for inorganic growth.

With company's continuous endeavour to enhance efficiencies at all levels and functions, your Directors

view the prospects for the financial year 2015-16 with cautious optimism.

IV. RISKS AND CONCERNS.

The Company has laid down a well-defined Risk Management Framework covering the risk, risk exposure, potential impact and risk mitigation process. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company has formed Internal Risk Management Committee, which periodically reviews all the risks in the organisation and identifies risk areas, monitors and reports the compliance and effectiveness of the policy and procedure to the Audit Committee and Board.

The Audit Committee and Board review the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

The Company's Board of Directors perceives the following risks as high risks areas:-

1. Currency / Foreign Exchange Risks
2. Procurement Risks
3. Business Risks

Major risks arise from two main raw materials viz. Styrene and Butadiene. There is an availability risk associated with both, since Styrene is not manufactured in the country and is 100% imported. Butadiene is currently consistently available from only one manufacturer in the country even though there are two other manufacturers. No hedging instruments are available to hedge their availability and price volatility risk and therefore, the company manages the availability risks partly by monitoring overseas supplies and partly by varying inventory levels.

Hedging is available for Currency / Foreign Exchange risks and is resorted to selectively.

Some of the major raw materials are hazardous and inflammable. The Company has ensured that required Safety equipments and infrastructure are in place as per statutes and global safety standards. Your company is also certified for ISO 14001 and OHSAS 18001, which address all Environmental and Safety Systems and processes. In addition, all the safety measures like safety committee's constant supervision, periodical drills, risks awareness programmes, appropriate treatment of effluents generated, are regularly taken with constant attention from senior level of the management.

The Company has also insured its assets, loss of profits and standing charges for insurable risks.

V. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system exists to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions.

Internal audit is being conducted by an Independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control system in the organisation, its compliance with operating system, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective action in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee.

The Partners of both, Statutory and Internal Auditor attend all the Audit Committee meetings.

VI. DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS.

The company continuously monitors its Human Resource requirement to ensure that it has adequate human skills commensurate with its needs.

Cordial relations exist between the employees at various levels and the management.

To upgrade human skills and improve their efficiencies, the company continuously organizes workshops on different management areas and also deputed employees to external workshops and seminars.

CAUTIONARY STATEMENT.

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include raw material availability and prices, cyclical demand, movements in company's principal markets, changes in Government regulations, tax regimes, economic developments within and outside India and other incidental factors.

C. WIND POWER

The Wind Turbine Generator installed at Sadawaghapur, Taluka – Patan, District Satara, Maharashtra, has generated gross revenue of about ₹ 102.13 lacs during the financial year (previous year ₹ 119.45 lacs), and same is netted-off against the power cost.

D. DISCLOSURES UNDER COMPANIES ACT, 2013

I. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information sought under the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure I, forming part of this report.

II. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return is enclosed in Annexure II.

III. CHANGES IN THE SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2015 was ₹ 518.45 lacs, comprising of 1,03,68,992 equity shares of ₹ 5/- each. During the year under review, the Company has not issued any shares or convertible instruments.

IV. NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company business policy and strategy apart from other Board business. During the financial year under review, the Board of Directors met 5 (five) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

V. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of Mr. M. G. Patel, Mr. Kamlesh Vikamsey, Mr. Girish Choksey, Mr. Bipin Jhaveri (upto 10/10/2014) and Mrs. Priyamvada Bhumkar (w.e.f. 31/10/2014). Mr. M. G. Patel is the Chairman of the Committee. Mr. M. G. Patel, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are the Non-Executive Independent Directors. More details on the committee are given in the Corporate Governance Report.

All the recommendations of the audit committee are accepted by the Board.

VI. BOARD INDEPENDENCE

The definition of Independence of Directors is derived from Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013;

1. Mr. M. G. Patel
2. Dr. S. Sivaram
3. Mr. Shailesh Vaidya
4. Mr. Kamlesh Vikamsey
5. Mrs. Priyamvada Bhumkar



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In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, the Independent Directors met on 20th March 2015 and discussed issues as prescribed under the schedule IV of the Companies Act, 2013 and also discussed various other issues.

VII. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Nomination & Remuneration Committee members, covering various aspects of the Board's functioning such as adequacy of composition of Board and Committees, Board communication, timeliness and unbiased information of right length and quality of information, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance, participation in the discussion, deliberation at the meeting, understanding role and responsibilities as board member, demonstration of knowledge, skill and experience that make him/her a valuable resource for the board.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Executive Directors was carried out by the Independent Directors, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

VIII. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration policy of the Company for Directors, KMP's and Senior Personnel of the Company is enclosed as Annexure III to this Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure IV (A) to this Report.

IX. COMMENTS ON AUDITORS REPORT

There are no qualifications, reservations or adverse remarks on disclaimers made by M/s. Kalyaniwalla & Mistry, Statutory Auditors, in their report and by Mr. Mahesh Hurgat, Company Secretary in Practice, in his secretarial audit report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

X. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement. There are no materially significant related party transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the company at large.

All new related party transactions are first approved by the Audit Committee and thereafter placed before the Board for their consideration and approval. A statement of all related party transactions is presented before the Audit Committee meeting on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of Contracts or arrangements with related parties referred to in Section 188(1), read with Rule 15 of The Companies (Meetings of Board and Its Powers) Rules 2014 is appended to this report in prescribed Form AOC 2 as Annexure V .

The Related Party Transaction Policy as approved by the Board is uploaded on the company's website at the following web link.

http://apcotex.com/policies/Related_Party_Transaction_Policy.pdf

XI. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

XII. VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

XIII. CORPORATE GOVERNANCE

The Company has always strived to adopt appropriate standards for good Corporate Governance.

Detailed report on the Corporate Governance and Management Discussion Analysis, form part of this report. A certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the said Report.

E. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with Section 135 of the Companies Act, 2013. The CSR

committee was constituted by the Board of Directors of the Company at its meeting held on 26th April 2014. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company which is published on the Company's website.

The Company has under taken projects in the areas of Healthcare, Education, and Vocational Training for village women and social projects around the area surrounding the factory.

CSR committee planned health check-up camp, distance education kits for remotely located schools in Adivasi settlements etc., around the plant area, which could not be completed as planned during the financial year 2014-15 resulting into shortfall in CSR spent to the extent of ₹ 3.37 lacs.

The details of CSR activities as required under Section 135 of the Companies Act, 2013, are provided in CSR Report which is annexed herewith as Annexure VI.

F. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The company has conducted the Familiarisation program for Independent Directors appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at http://apcotex.com/policies/Familiarisation_Programme_Independent.pdf

G. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- III. That they have taken proper and sufficient care for the 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 fraud and other irregularities;

- IV. That they have prepared the annual accounts on a going concern basis;
- V. That they, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- VI. That they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

H. DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company takes all necessary measures to ensure a harassment free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. No complaints relating to sexual harassment were received during the year.

I. FIXED DEPOSITS MATURED BUT NOT CLAIMED

Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of ₹ 22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

J. INSURANCE

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as also liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2014-15.

K. ECOLOGY AND SAFETY

Company ensures safe, healthy and eco-friendly environment at its plant and surrounding area. Company continually works towards identification and reduction of risks and prevention of pollution at its plant and its surroundings.

Members of the Safety Committee of the Company's Talaja Plant, have been regularly reviewing the safety measures and their implementation to ensure adequate safety in material handling and processing, control of pollution caused by liquid effluents, dust and emissions from chimney etc. Samples are periodically drawn and the reports submitted to the Pollution Control Board indicating compliance with the standards.

Necessary application for renewal of consent to operate the plant at Talaja has been made to Maharashtra Pollution Control Board, consent of which is awaited.



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L. PERSONNEL

The information required under Section 197 of the Companies Act, 2013 and read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are given in Annexure IV (B).

M. DIRECTORS & KEY MANAGERIAL PERSONNEL

I. Appointment:

Mrs. Priyamvada Bhumkar was appointed as additional director of the Company by Board of Directors at their meeting held on 31st October 2014. She would therefore hold office upto the conclusion of the ensuing Annual General Meeting.

Mrs. Priyamvada Bhumkar qualifies to be an Independent Director and her appointment has been recommended by the Nomination and Remuneration Committee. Accordingly, it is proposed to appoint Mrs. Priyamvada Bhumkar as an Independent Director for a term of 5 (Five) consecutive years upto 31st October 2019.

Pursuant to declaration made under Section 149 of the Companies Act, 2013, Mrs. Priyamvada Bhumkar meets all the criteria of Independence, as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement. She possess the appropriate skills, experience and knowledge inter alia in the field of finance, business strategy etc.

The background of the Director(s) proposed for appointment / reappointment is given under the Corporate Governance section of the Annual Report.

In compliance with provisions of Section 203 of the Companies Act, 2013, Mr. Rohit R. Mahakal, was re-designated as Chief Financial Officer of the Company with effect from 1st April 2015 in the Board meeting held on 20th March 2015 on the recommendation of the Audit Committee.

II. Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company Mr. Amit Choksey (DIN 00001470) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. The Board recommends his reappointment.

III. Cessation:

Mr. Bipin Jhaveri, Director of the Company expired on 10th October 2014. Mr. Bipin Jhaveri served on the Board of the Company for more than two decades. Your Directors wish to place on record their appreciation for his service and valuable contribution made during the tenure of Mr. Bipin Jhaveri as Director of the Company.

The background of the Director(s) proposed for

appointment / re-appointment is given under the Corporate Governance section of the Annual Report.

N. AUDITORS

- I. Pursuant to provisions of Section 139(1) of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration no. 104607W), were appointed as Statutory Auditors of the Company to hold the office till the conclusion of the Annual General Meeting during the year 2018, subject to ratification at every Annual General Meeting.

The Company has received letter from the Statutory Auditors to the effect that ratification of their appointment, if made, would be within the prescribed limit under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified from the appointment.

Your Board recommends the ratification of appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration no. 104607W), Mumbai, as Statutory Auditors of the Company for the financial year 2015-16 and to hold the office till the conclusion of the next Annual General Meeting during the year 2016.

- II. Pursuant to provisions of Section 204 of the Companies Act, 2013 the Board of Directors have appointed Mr. Mahesh Hurgat, Practicing Company Secretary to conduct the Secretarial Audit and his Report on the Company's Secretarial Audit is appended to this Report as Annexure VII.

O. CEO & CFO CERTIFICATION

Certificate from Managing Director and Chief Financial Officer of the Company, pursuant to the provisions of Clause 49(IX) of the Listing Agreement, for the financial year under review was placed before the Board of Directors of the Company at its meeting held on 8th May 2015.

P. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to State Bank of India, Standard Chartered Bank, various departments of State / Central Government and local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Apcotex family. To all shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

The accompanying Annexure I to VII are an integral part of this Directors' Report.

FOR AND ON BEHALF OF THE BOARD

ATUL C CHOKSEY
CHAIRMAN

Mumbai: 8th May 2015

ANNEXURE I TO DIRECTORS' REPORT
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy :	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in batch cycle time and improved operations.	
(B) Technology absorption	No new technology has been acquired during the year. Upgradation of present technology is a continuous process, implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.	
Expenditure incurred on R&D during the Financial Year are as follows:		
(₹ in lacs)		
Particulars	2014-15	2013-14
Capital	4.23	10.94
Recurring	148.60	175.10
Total	152.83	186.04
Total R & D expenditure as a percentage of Total Revenue	0.43%	0.64%
(C) Foreign Exchange Earnings and Outgo	The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given in Note 35 and 36 of the Financial Statements.	



apcotex industries limited

ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1986PLC039199
ii)	Registration Date	12/03/1986
iii)	Name of The Company	apcotex industries limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government company
v)	Address of the Registered Office and contact details	Plot no 3/1, MIDC Industrial area, Taloja, Raigad, Maharashtra Tel. No.: -022-27403500, Fax No.: -022-27412052
vi)	Whether listed Company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills compound, LB.S. Marg, Bhandup (W), Mumbai-400078 Tel. No.: 2596 3838, 2594 6970, Fax No.: 2594 6969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of synthetic rubber	20132	14
2	Manufacture of other products or preparations of kind used in the textile, paper, leather and like industries	20297	86

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Not Applicable				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,511,642	-	1,511,642	14.58	1,511,642	-	1,511,642	14.58	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,457,134	-	4,457,134	42.99	4,461,391	-	4,461,391	43.03	0.04
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	5,968,776	-	5,968,776	57.56	5,973,033	-	5,973,033	57.60	0.04
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5,968,776	-	5,968,776	57.56	5,973,033	-	5,973,033	57.60	0.04
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	630	718	1,348	0.01	730	718	1,448	0.01	-
b) Banks/FI	100	544	644	0.01	621	444	1,065	0.01	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) – Foreign banks	-	446	446	0.00	-	446	446	-	-
Sub-total (B)(1):-	730	1,708	2,438	0.02	1,351	1,608	2,959	0.03	0.01



apcotex industries limited

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	191,392	4,002	195,394	1.89	437,969	4,002	441,971	4.26	2.37
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2,935,288	635,046	3,570,334	34.43	2,752,688	592,204	3,344,892	32.26	(2.17)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	370,252	71,000	441,252	4.26	389,192	42,400	431,592	4.16	(0.09)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians (Repat)	98,416	19,184	117,600	1.13	85,986	18,366	104,352	1.01	(0.13)
Non Resident Indians (Non Repat)	43,823	3,198	47,021	0.45	39,420	3,198	42,618	0.41	(0.04)
Clearing Member	21,767	-	21,767	0.21	23,827	-	23,827	0.23	0.02
Directors/Relatives of Director	274	-	274	-	274	-	274	-	-
Trusts	2,670	1,466	4,136	0.04	2,008	1,466	3,474	0.03	(0.01)
Sub-total (B)(2):-	3,663,882	733,896	4,397,778	42.41	3,731,364	661,636	4,393,000	42.37	(0.05)
Total Public Shareholding (B) = (B) (1) + (B)(2)	3,664,612	735,604	4,400,216	42.44	3,732,715	663,244	4,395,959	42.40	(0.04)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9,633,388	735,604	10,368,992	100.00	9,705,748	663,244	10,368,992	100.00	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Abhiraj Atul Choksey	259,808	2.51	-	259,808	2.51	-	0.00
2	Abhiraj Trading and Investment Pvt Ltd	58,234	0.56	-	58,234	0.56	-	0.00
3	Amit Champaklal Choksey	55,025	0.53	-	55,025	0.53	-	0.00
4	Ankita Amit Choksey	27,044	0.26	-	27,044	0.26	-	0.00
5	Ankur Girish Choksey	6,800	0.07	-	6,800	0.07	-	0.00
6	Apco Enterprises Limited	56,176	0.54	-	56,176	0.54	-	0.00
7	Aquamarine Trading & Investments Pvt Ltd	49,400	0.48	-	49,400	0.48	-	0.00
8	Atul Champaklal Choksey	667,700	6.44	-	667,700	6.44	-	0.00
9	Bhuvantray Investments & Trading Co Pvt Ltd	49,892	0.48	-	49,892	0.48	-	0.00
10	Biyash Abhiraj Choksey	18,000	0.17	-	18,000	0.17	-	0.00
11	Choksey Chemicals Pvt Ltd	138	-	-	138	0.00	-	0.00
12	Devaki Ashok Parekh	3,200	0.03	-	3,200	0.03	-	0.00
13	Devanshi Anant Veer Jalan	73,000	0.70	-	73,000	0.70	-	0.00
14	Dhumraketu Investments and Trading Co Pvt Ltd	1,658,952	15.99	-	1,659,557	16.00	-	0.02
15	Forest Hills Trading and Investments Pvt Limited	4,300	0.04	-	4,300	0.04	-	0.00
16	Gauriputra Investments & Trading Co. Pvt Ltd	26,200	0.25	-	26,200	0.25	-	0.00
17	Girish Champaklal Choksey	8,900	0.09	-	8,900	0.09	-	0.00
18	Haridwar Trading and Investments Pvt Ltd	4,300	0.04	-	4,300	0.04	-	0.00
19	Janaki Ashok Parekh	2,400	0.02	-	2,400	0.02	-	0.00
20	Namrata Amit Choksey	28,538	0.28	-	28,538	0.28	-	0.00
21	Parul Atul Choksey	270,770	2.61	-	270,770	2.61	-	0.00
22	Prashant Girish Choksey	6,600	0.06	-	6,600	0.06	-	0.00
23	Priti Amit Choksey	23,567	0.23	-	23,567	0.23	-	0.00
24	Rita Ashok Parekh	53,190	0.51	-	53,190	0.51	-	0.00
25	Saldhar Investments & Trading Co Pvt Ltd	566,544	5.46	-	566,544	5.46	-	0.00
26	Sunita Girish Choksey	4,600	0.04	-	4,600	0.04	-	0.00
27	The Hindustan Mineral Products Limited	9,662	0.09	-	9,662	0.09	-	0.00
28	Trivikram Investments and Trading Co Ltd	1,973,336	19.03	-	1,976,988	19.07	-	0.04
		5,966,276	57.54	-	5,973,033	57.60	-	0.06



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

Sr no.	Name of the promoter with change in share holdings	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Trivikram Investments And Trading Company Limited	1,973,336	19.03	1,976,988	19.06
2	Dhumraketu Investments And Trading Company Private Limited	1,658,952	15.99	1,659,557	16.00
3	Amit Champaklal Choksey	55,025	0.53	55,025	0.53

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mita Dipak Shah	121,100	1.16	120,000	1.15
2	Vijay Kishanlal Kedia	-	-	115,907	1.11
3	Abhay Arvind Vakil	79,612	0.76	79,612	0.76
4	Kotak Mahindra Investments Ltd	-	-	51,200	0.49
5	Amar Arvind Vakil	42,400	0.40	71,000	0.68
6	Naga Dhunseri Group Limited	-	-	39,558	0.38
7	Dhunseri Investments Limited	-	-	37,008	0.35
8	Mint Investments Limited	-	-	30,536	0.29
9	Mussoorie Trading Co Private Limited	-	-	30,000	0.28
10	Hafeez Sorab Contractor	30,000	0.28	30,000	0.28

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Atul C. Choksey	667,700	6.44	667,700	6.44	-
2	Abhiraj Choksey	259,808	2.51	259,808	2.51	-
3	Girish C. Choksey	8,900	0.09	8,900	0.09	-
4	Amit C. Choksey	55,025	0.53	55,025	0.53	-
5	Manubhai G. Patel	274	-	274	-	-
6	Bipin V. Jhaveri (upto 10/10/2014)	-	-	-	-	-
7	Dr. S. Sivaram	-	-	-	-	-
8	Shailesh S. Vaidya	-	-	-	-	-
9	Kamlesh Vikamsey	-	-	-	-	-
10	Priyamvada Bhumkar (w.e.f 31/10/2014)	-	-	-	-	-
11	Anand V. Kumashi	500	-	2,300	0.02	Bought off Market
12	Rohit R. Mahakal	-	-	-	-	-

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits (₹ In Lacs)	Unsecured Loans (₹ In Lacs)	Deposits (₹ In Lacs)	Total Indebtedness (₹ In Lacs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,699.36	-	102.10	4801.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	28.65	-	-	28.65
Total (i+ii+iii)	4,728.01	-	-	4,728.01
Change in Indebtedness during the financial year				
• Addition	-	-	30.50	30.50
• Reduction	1,600.57	-	-	1,600.57
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	3,113.78	-	132.60	3246.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13.66	-	-	13.66
Total (i+ii+iii)	3,127.44	-	132.60	3260.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of Managing Director	Total Amount (₹ In Lacs)
		Mr. Abhiraj Choksey	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (₹ In Lacs)	60.20	60.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (₹ In Lacs)	5.99	5.99
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 (₹ In Lacs)	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total (A) (₹ In Lacs)	66.19	66.19
	Ceiling as per the Act	5% of net profits of the Company	



apcotex industries limited

B. Remuneration to other directors:

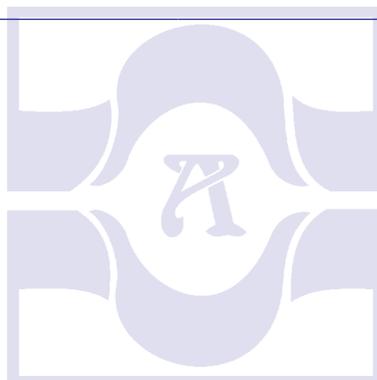
Sr. no.	Name of Director	Particulars of Remuneration			Total
		Fees for attending Board/ committee Meetings	Commission	Others Please Specify	
A. Independent Director					
1	M. G. Patel	240,000	120,000	-	360,000
2	Bipin Jhaveri (upto 10/10/2014)	80,000	60,000	-	140,000
3	Dr. S. Sivaram	130,000	120,000	-	250,000
4	Shailesh Vaidya	40,000	120,000	-	160,000
5	Kamlesh Vikamsey	160,000	120,000	-	280,000
6	Priyamvada Bhumkar (wef 31/10/2014)	80,000	60,000	-	140,000
	Total of (A)	730,000	600,000	-	1,330,000
B. Other Non-Executive Director					
7	Atul Choksey	70,000	2,553,000	-	2,623,000
8	Girish Choksey	50,000	-	-	50,000
9	Amit Choksey	50,000	-	-	50,000
	Total of (B)	170,000	2,553,000	-	2,723,000
	Total of (A)+(B)	900,000	3,153,000	-	4,053,000
	Total Managerial Remuneration				4,053,000
	Overall Ceiling as per the Act	1% of net profits of the Company (Excluding of Seating fees)			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anand V. Kumashi	Rohit R. Mahakal	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (₹ In Lacs)	21.20	12.48	33.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (₹ In Lacs)	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (₹ In Lacs)	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	-	-
	Total	21.20	12.48	33.68

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		





ANNEXURE III TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY OF THE ORGANISATION

Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee (NRC), inter alia, consists of reviewing overall compensation policy, service agreements, performance incentive and other employment conditions of Managing Director / Whole-Time Director, Key Managerial Personnel (KMP's) and Senior Management personnel. The recommendations of the NRC are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

Guiding principles:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

The remuneration policy reflects the overriding remuneration philosophy and principles of the **apcotex industries limited**. When determining the remuneration policy and arrangements for Whole-time / Managing Director(s) / Key Managerial Persons (KMP), Senior Management Personnel (SMP), the NRC considers, pay and employment conditions with peers/elsewhere in the competitive market to ensure that pay structures are appropriately aligned and those levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The NRC while considering a remuneration package must ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

1. OBJECTIVE:

The Key Objectives of the Committee would be:

- a) ensure compliance of the applicable provisions with Section 178 of the Companies Act, 2013 and Clause 49 under the Listing Agreement entered into with the Stock Exchanges (as amended or re-enacted from time to time) relating to Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)
- b) to recommend the Board in relation to appointment and removal of Directors, Key Managerial Personnel

(KMP) and Senior Management Personnel (SMP).

- c) to evaluate performance and recommend remuneration of the Directors, KMP and SMP.

2. DEFINITIONS:

- (a) (a) Managing Director (MD) / Whole-Time Director means a director, appointed by the Board of Director by virtue of the Articles of the Company under an agreement which has been approved by the members in the general meeting and is entrusted with substantial power of management of the affairs of the Company. Chief Executive Officer (CEO) means a person appointed by the Board of Directors to head a particular division or entire company.
- (b) Non-Executive Directors (NED) in relation to the Company means a member of the Board of Directors who is not in the employment of the Company.
- (c) Independent Director (ID) in relation to the Company shall have the same meaning as defined under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- (d) **Key Managerial Personnel (KMP) (Section 203):** Key Managerial Personnel means:
 - (i) Chief Executive Officer or the Managing Director or Whole-time Director;
 - (ii) Company Secretary,
 - (iii) Chief Financial Officer; and
 - (iv) such other officer as may be prescribed.
- (e) **Senior Management Personnel (SMP):** Senior Management Personnel means personnel of the company who are members of its core management team excluding the Board of Directors. The core management team consists of:
 - (i) Vice President(s)

3. ROLE OF COMMITTEE (Section 178 & Clause 49 IV B of Listing Agreement):

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to recommend to the Board the appointment and removal of KMP and SMP.
- c) to carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance.
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Managing Directors remuneration and incentive.
- e) to ensure Board Diversity through Board members who come from various different fields e.g. Accounts, Finance, Technical, Legal, Business, etc.

4. **MEMBERSHIP (Section 178 and Clause 49 IV A of Listing Agreement):**

The Committee shall:

- a) Consist of a minimum 3 Non-Executive directors, majority of them shall be Independent Directors.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Chairman of the Company can be the member of the NRC.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. **CHAIRMAN (Section 178 and Clause 49 IV A of Listing Agreement):**

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the NRC meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. **FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

7. **COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. **SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

9. **VOTING:**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. **MINUTES OF COMMITTEE MEETING:**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

11. **Disclosure of Information:**

The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.



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ANNEXURE IV TO DIRECTORS' REPORT

A. Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. no.	Disclosure Requirement	Disclosure details			
		Directors / KMP	Title	Ratio	% increase in remuneration
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2014-15, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2014-15	Atul C. Choksey	Non Executive -Chairman	8.29	122.29
		Abhiraj A. Choksey	Managing Director	21.17	7.19
		Girish C. Choksey	Non-Executive Director	0.16	25.00
		Amit C. Choksey	Non-Executive Director	0.16	25.00
		Manubhai G. Patel	Non-Executive Director	1.14	89.47
		Bipin V. Jhaveri (upto 10/10/2014)	Non-Executive Director	0.44	-26.32
		Dr. S. Sivaram	Non-Executive Director	0.79	78.57
		Shailesh S. Vaidya	Non-Executive Director	0.51	33.33
		Kamlesh S. Vikamsey	Non-Executive Director	0.88	75.00
		Priyamvada Bhumkar (wef 31/10/2014)	Non-Executive Director	0.44	-
		Anand V. Kumashi	Company Secretary	N.A.	7.50
		Rohit R. Mahakal	Chief Financial Officer	N.A.	18.18
		2	Percentage increase in the median remuneration of employees in the financial year	13.20%; considering employees who were in employment for the whole of FY 13-14 and FY 14-15.	
3	Number of permanent employees on the rolls of Company at the end of the year	209			
4	Explanation on the relationship between average increase in remuneration and Company performance	<p>Recommendation for increase in remuneration is based on the following factors:</p> <ul style="list-style-type: none"> • Compensation trends based on industry benchmarking • Compensation positioning vis-à-vis market trend • Alignment between risks and remuneration • For employees who were in employment for the whole of FY 13-14 and FY 14-15, average increase in remuneration for FY 14-15 is 9.87% 			
5	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The total remuneration of the Key Managerial Personnel increased by 8.51% during 2014-15 whereas the Profit before Tax increased by 109.16% during 2014-15.			
6	Variation on the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and % increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer	a) The market capitalization as on 31 st March 2015 was ₹ 515.34 crore (₹ 124.58 crore as on 31 st March 2014).			
		b) Price Earning Ratio of the Company was 20.88 as at 31 st March 2015 and was 9.48 as at 31 st March 2014.			
		c) Company's stock price as at 31 st March 2015 has increased by 764.35% to ₹ 497.00 over the last public offering i.e. IPO during August 1996 at the price of ₹ 115.00 per share (post subdivision adjusted price ₹ 57.50)			

Sr. no.	Disclosure Requirement	Disclosure details		
7	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 13-14 and FY 14-15 the average increase is 10.06%. Average increase for managerial personnel is 7.19%.		
8	Comparison of remuneration of each Key Managerial Personnel against the performance of the Company.	Directors/ KMP	Title	Remuneration FY 14-15 % of PBT
Mr. Abhiraj Choksey		Managing Director	1.92	
Mr. Anand Kumashi		Company Secretary	0.72	
Mr. Rohit Mahakal		Chief Financial Officer	0.37	
9	Key parameters for any variable component of remuneration availed by the Director	Managing Director is eligible to get Variable remuneration @ 12% of CTC, based on financial performance of the Company.		
10	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable		
11	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.		

B. Details pertaining to remuneration as required under section 197(2) of the Companies Act 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Abhiraj Choksey
Age	37 years
Qualification	Bachelor of Science in Economics from Wharton Business School and Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A
Designation	Managing Director
Date of Commencement of Employment	01/05/2005
Experience	14 years
Gross Remuneration	66.19 Lakh (Excluding perquisite under Income Tax Act)
Previous Employment	Apcosoft Pvt., Ltd
Designation	Whole-Time Director
Shares held	2.51%



ANNEXURE V TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis:

Sr. no.	A Name(s) of the related party and nature of relationship	B Nature of contracts / arrangements / transactions	C Duration of the contracts / arrangements / transactions	D Salient terms of the contracts or arrangements or transactions including the value, if any	E Justification for entering into such contracts or arrangements or transactions	F date(s) of approval by the Board	G Amount paid as advances, if any:	H Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

2 Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	A Name(s) of the related party and nature of relationship	B Nature of contracts / arrangements / transactions	C Duration of the Contracts / arrangements / transactions	D Salient terms of the contracts or arrangements or transactions including the value, if any:	E Date(s) of approval by the Board, if any:	F Amount paid as advances, if any
1	Apco Enterprise Ltd	Leasing of premises	5 years 01/10/2014 to 30/09/2019	Lease Rent @ ₹ 55,000/- p.m + all direct expenses	31/10/2014	702,000
2	Trivikram Investment & Trading Co., Ltd	Leasing of premises	on going	Lease Rent @ ₹ 15,000/- p.m + all direct expenses	25/05/2009	N.A.
3	Choksey Chemicals Pvt Ltd	Sale of Goods at prevailing market price	3 years 01/11/2013 to 31/10/2016	Sale of Goods at prevailing market price	31/10/2013	N.A.

ANNEXURE VI TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs Proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	<p>The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 and same is placed on the Company's website and web-link of same is http://apcotex.com/CSRP.pdf</p> <p>The company has undertaken activities in the area of Healthcare, Education & Vocational Training and Social Projects in the Plant area through:</p> <ol style="list-style-type: none"> a. Rotary Club of New Panvel b. Jan Shikshan Sansthan, Raigad c. St. Jude – Mumbai d. The Indian Council for mental health – Navi Mumbai e. Sanskar Tirth – Ajol, Dist. Gandhinagar, Gujarat. f. Magic Bus Foundation – Mumbai <p>The company has carried certain activities on its own.</p>
2	The composition of CSR Committee	<p>Mr. Atul Choksey – Chairman (Chairman of the Company)</p> <p>Mr. Shailesh Vaidya – Member (Independent Director)</p> <p>Mr. Abhiraj Choksey – Member (Managing Director)</p>
3	Average net profit of the Company for last three financial years	₹ 1700.15 lacs.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 34.00 lacs
5	Details of CSR spend for the financial year:	
	a. Total amount to be spent for the for the financial year	₹ 30.63 lacs
	b. Amount unspent, if any.	₹ 03.37 lacs
	c. Manner in which the amount spent during the financial year is detailed below:	



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(₹ in lacs)							
Sr. No.	Projects / Activities	Sector	Locations (District & State)	Amount Outlay (Budget) Project or Programwise	Amount Spent on the Project or Program	Cumulative Expenditure upto Report period	Amount Spent : Director or through implementing Agency.
1	Providing Distance Education at remote Schools	Literacy / Education	Chindran - Tal. Panvel and Chindran Tal. Uran, Dist. Raigad, Maharashtra	1.10	1.16	1.16	1.16
2	Eye and Health Checkup Camps around Plant area	Healthcare	Padge Village, Tal. Panvel, Dist. Raigad, Maharashtra	3.85	0.42	0.42	0.42
3	Vocational Training to village women around the Plant area	Education / Vocational Skill	Newali and Tembhode Village, Tal. Panvel, Dist. Raigad, Maharashtra	2.85	2.85	2.85	2.85
4	Providing shelter, food and medicines to cancer affected childrens and their parents from poor family - Total committed amount over a period of 5 year is ₹ 108.00 lacs	Healthcare	Mumbai, Maharashtra.	108.00	15.00	15.00	15.00
5	Help mentally affected childrens with formal education	Education	Nerul, Navi Mumbai, Dist. Thane, Maharashtra	5.00	5.00	5.00	5.00
6	Educational & Residential support for girls from backward class, Scheduled class and schedule tribes	Education	Ajol, Tal. Mansa, Dist. Gandhinagar, Gujarat	5.00	5.00	5.00	5.00
7	Education and sustainable livelihood to street children	Education / Vocational Skill	Mumbai, Maharashtra	1.20	1.20	1.20	1.20
				127.00	30.63	30.63	30.63

ANNEXURE VII TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2015

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

To
The Members
APCOTEX INDUSTRIES LIMITED
Plot No. 3/1, PB No.13,
MIDC Industrial Area,
Taloja : 410 208,
Dist. Raigad, Maharashtra.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apcotex Industries Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015; complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 1956 and The Companies Act, 2013 (the Act) as applicable, and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (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. (Not Applicable for the financial year ended March 31, 2015)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable for the financial year ended March 31, 2015)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable for the financial year ended March 31, 2015)
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable for the financial year ended March 31, 2015) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable for the financial year ended March 31, 2015)
- (vi) Following Laws applicable specifically to the Company.
- a) The Petroleum Act, 1934 and rules made thereunder.
 - b) The Indian Explosives Act, 1884 read with The Static and Mobile Pressure Vessels (Unfired) Rules, 1981.
 - c) The Factories Act, 1948 read with The Maharashtra Factories (Control of Industrial Major Accident Hazards) Rules, 2003.
 - d) The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989.
- (vii) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other generally applicable Acts, Laws and Regulations to the Company.



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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 Stock Exchanges.

During the period under review, the Company has complied with the provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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, if any, are captured and recorded as part of the minutes.

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

Place: Mumbai
Date: 08/05/2015

MAHESH HURGAT
PRACTISING COMPANY SECRETARY
ACS No.: 7139 C. P. NO.: - 2498



CORPORATE GOVERNANCE

I. Company's Philosophy on Code of Corporate Governance:

The Company is committed to good Corporate Governance practices with the object of increasing benefits for all stakeholders of the Company viz. Shareholders, Customers, Suppliers, Employees and Society in general.

II. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the Listing Agreement with the Stock Exchanges. The Board is comprised of Nine Directors, both executive and non-executive. Mr. Atul Champaklal Choksey is the non-executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj A. Choksey the Managing Director, under the active guidance of the chairman.

Mr. Manubhai G. Patel, Dr. S. Sivaram, Mr. Shailesh Vaidya, Mr. Kamlesh Vikamsey, Mr. Bipin V. Jhaveri (upto 10/10/2014) and Mrs. Priyamvada Bhumkar are non-executive, independent directors, who constitute about sixty percent (60%) of the total strength of the Board.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymers technology, finance, accountancy and laws. The Board of Directors meets as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board Directors and of the respective Committee meetings wherever they are members namely, Audit Committee, Nomination & Remuneration Committee, Social Responsibility Committee, Stakeholders Relationship Committee. During the financial year 2014-15, five meetings of the Board of Directors were held on a) **26th April 2014**, b) **31st July 2014**, c) **31st October 2014**, d) **5th February 2015** and e) **20th March 2015**.

Independent Directors are expected not to serve on the Board of competing companies. No Director of the company is a member of more than ten Committees or can act as Chairman of more than five committees across all public limited companies in which he / she is a Director. For the purpose of these only membership and chairmanship of Audit Committee and Stakeholders' Relationship Committee are considered.

Further, every Director informs the Company about the Committee position he / she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Company's Directors in public limited companies as on 31st March 2015 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/Category of Directorship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman*
Atul C. Choksey	Non- Executive Chairman Promoter	5	Yes	9	1
Abhiraj A. Choksey	Managing Director	5	Yes	3	--
Girish C. Choksey	Non-Executive	3	No	5	1/-
Amit C. Choksey	Non-Executive	5	No	4	-/1
Manubhai G. Patel	Non-Executive, Independent	5	Yes	--	--
Bipin V. Jhaveri*	Non-Executive, Independent	2	Yes	--	--
Dr. S. Sivaram	Non-Executive, Independent	4	Yes	3	2/-
Shailesh S. Vaidya	Non-Executive, Independent	1	No	4	-/-
Kamlesh S. Vikamsey	Non-Executive, Independent	4	Yes	5	3/1
Priyamvada Bhumkar**	Non-Executive, Independent	2	NA	1	--

* Mr. Bipin Jhaveri expired on 10th October 2014.

** Mrs. Priyamvada Bhumkar was appointed as Director in the Board meeting held on 31st October 2014.

Mr. Atul C. Choksey, Mr. Abhiraj A. Choksey, Mr. Girish C. Choksey and Mr. Amit C. Choksey are related to each other.



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Details of shareholding of Directors as on 31st March 2015

The number of equity shares of face value of ₹ 5/- each of the Company held by the Directors on 31st March 2015 is as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non-Executive Director	6,67,700	5.464
Abhiraj Choksey	Executive Director	2,59,808	2.506
Girish C. Choksey	Non-Executive Director	8,900	0.086
Amit C. Choksey	Non-Executive Director	55,025	0.531
Manubhai G. Patel	Non-Executive Director Independent	274	0.003
Bipin V. Jhaveri (upto 10/10/2014)	Non-Executive Director Independent	--	--
Dr. S. Sivaram	Non-Executive Director Independent	--	--
Shailesh S. Vaidya	Non-Executive Director Independent	--	--
Kamlesh Vikamsey	Non-Executive Director Independent	--	--
Priyamvada Bhumkar (w.e.f 31/10/2014)	Non-Executive Director Independent	--	--

Responsibilities:

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the intervening gap between the meeting was within the period prescribed under the Companies Act 2013. During the year under review the Board met five times. The agenda of the Board meetings is circulated to all the Directors well in advance and contains all the relevant information. The Managing Director is responsible for corporate strategy, planning, external contacts and Board Matters. The senior management personnel heading respective divisions are responsible for all day-to-day operations related issues, productivity, recruitment, and employees retention for their divisions.

Remuneration Policy;

Non-executive Directors are paid sitting fees for each meeting of the Board or its committees attended by them and are also eligible for commission. The shareholders of the Company at the meeting held on 5th July 2012 had authorised the payment of commission to the Non-Executive Directors @ 1% of net profit of the Company, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013. The allocation of commission to Non-Executive Directors is determined by the Board based on the individual contribution.

The Remuneration paid to the Non-Executive Directors of the Company during the financial year, 2014-15 are as under:

Name of Director	Sitting Fees	Commission	Total
Mr. Atul Choksey	70,000	25,53,000	26,23,000
Mr. Girish Choksey	50,000	-	50,000
Mr. Amit Choksey	50,000	-	50,000
Mr. M. G. Patel	2,40,000	1,20,000	3,60,000
Mr. Bipin Jhaveri (upto 10/10/2014)	80,000	60,000	1,40,000
Dr. S. Sivaram	1,30,000	1,20,000	2,50,000
Mr. Shailesh Vaidya	40,000	1,20,000	1,60,000
Mr. Kamlesh Vikamsey	1,60,000	1,20,000	2,80,000
Mrs. Priyamvada Bhumkar (wef 10/10/2014)	80,000	60,000	1,40,000

Remuneration paid to Managing Director for the financial year 2014-15 is as under:

Name	Abhiraj Choksey
Salary	₹ 58.36 Lakh
Variable Pay	₹ 1.84 Lakh
Provident Fund	₹ 2.54 Lakh
Perquisites	₹ 22.44 Lakh
Service Contract and Period	Agreement Dt. 01/05/2013 Period: 01/05/2013 to 30/04/2016
Notice Period	6 months
Severance Fees	Nil

Excluding contribution to Gratuity and Superannuation fund amounting to ₹ 5.65 Lakh

III. Board Committees:

Company has either constituted new committee(s) or reconstituted / renamed existing committee(s) in compliance with the provision of the Companies Act, 2013.

The Company Secretary acts as the Secretary to all the Committees. Each of these Committees have the authority to engage outsider experts, advisors, and counsels to the extent it considers appropriate to assist in its functions. Minutes of the Committee meetings are circulated to the Directors and placed before the Board meeting for noting thereat.

A) Audit Committee

The Audit Committee was constituted in April 2000. During the year under review, five meetings of the Committee were held on a) **26th April 2014**, b) **31st July 2014**, c) **31st October 2014**, d) **5th February 2015** and e) **20th March 2015**.

The Audit Committee comprises of four directors viz. Mr. M. G. Patel as the Chairman, and Mr. Bipin Jhaveri*, Mr. Girish Choksey, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar** as members. Mr. M.G. Patel, Mr. Bipin Jhaveri*, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar** are Non- Executive Independent Directors.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Numbers of Meetings held - Five
		Attended
M. G. Patel	Non-Executive, Independent	5
Bipin Jhaveri*	Non-Executive, Independent	2
Girish C. Choksey	Non-Executive	2
Kamlesh Vikamsey	Non-Executive, Independent	4
Priyamvada Bhumkar**	Non-Executive, Independent	2

* Mr. Bipin Jhaveri expired on 10th October 2014.

** Mrs. Priyamvada Bhumkar was appointed as member in the Board meeting held on 31st October 2014. Two meetings were held during her tenure.

The Audit Committee invites the executives of the Company, as it considers appropriate, representatives of Statutory Auditors and representatives of the Internal Auditors at its meetings.

The role of the Audit Committee includes the followings pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013.:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:



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- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
 - f. Disclosure of any related party transactions
 - g. Reviewing and reporting on qualifications in the draft audit report to the Board of Director
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertaking or assets of the company, whenever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;
 13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors over significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO;
 20. Approval or any subsequent modification/ changes of Related Party Transactions;
 21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
 22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.

B) Nomination and Remuneration Committee:

Pursuant to provisions of Section 178 of the Companies Act, 2013 and other applicable provisions, the Remuneration Committee was reconstituted as "Nomination and Remuneration Committee" by the Board of Directors in their meeting held on 26th April 2014 comprising of Mr. M G Patel, Dr. S. Sivaram and Mr. Bipin Jhaveri*.

The Nomination and Remuneration committee met three times during the financial year viz. 31st July, 2014, 13th October 2014 and 20th March 2015. The necessary quorum was present for all the meetings. The Chairman of the Nomination & Remuneration Committee meeting was present at the last Annual General Meeting. The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

Name	Non-Executive / Independent	Numbers of Meetings held - Three
		Attended
Mr. M. G. Patel	Non-Executive Independent	3
Dr. S. Sivaram	Non-Executive Independent	3
Mr. Bipin Jhaveri*	Non-Executive Independent	1
Mr. Atul Choksey**	Non-Executive	1
Mr. Kamlesh Vikamsey***	Non-Executive Independent	1****

* Mr. Bipin Jhaveri expired on 10th October 2014.

** Mr. Atul Choksey was appointed as member in the Board meeting held on 31st October 2014. One meeting was held during his tenure.

*** Mr. Kamlesh Vikamsey was appointed as member in the Board Meeting held on 20th March 2015. **** Attended the committee meeting held on 20th March 2015 as an invitee.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published elsewhere in this report as Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and other disclosures as required to be made under revised Clause 49 of the listing Agreement have been provided in the previous section of this Report.

C) Corporate Social Responsibility Committee:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a “Corporate Social Responsibility Committee” in their meeting held on 26th April 2014, comprising of three Directors including an Independent Director viz. Mr. Shailesh Vaidya, Non-Executive Director viz. Mr. Atul Choksey and Executive Director viz. Mr. Abhiraj Choksey.

The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are as under:

- a) Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c) To monitor the CSR policy of the Company from time to time;
- d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee met once during the financial year 2014-15. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2014-15 and details of meeting held and attended by the Directors are as under:

Name	Non-Executive / Independent	Numbers of Meetings held - One
		Attended
Mr. Shailesh Vaidya	Non-Executive Independent	1
Mr. Atul Choksey	Non-Executive	1
Mr. Abhiraj Choksey	Managing Director	1



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The CSR policy devised in accordance with Section 135 of the Companies Act, 2013 and the details about the development of CSR Policy and initiatives under taken by the Company on CSR during the financial year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have also been appended as an Annexure to the Directors Report.

CSR committee planned health check-up camp, distance education kits for remotely located schools in Adivasi settlements etc., around the plant area, which could not be completed as planned during the financial year 2014-15 resulting into shortfall in CSR spent to the extent of ₹ 3.37 lacs.

D) Shareholders / Investors Grievances Committee:

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and other applicable provisions, 'Shareholders / Investors Grievances Committee' was reconstituted as '**Stakeholders Relationship Committee**' in the Board meeting held on 26th April 2014.

The committee comprises of three directors viz. a) Mr. M. G. Patel, a non-executive independent Director, Chairman of the reconstituted Committee and b) Mr. Girish Choksey and c) Mr. Bipin Jhaveri (upto 10/10/2014) as members.

Terms of Reference of Stakeholders Relationship Committee as set out in the Listing Agreement with the Stock Exchanges read with Section 178 of the Companies Act, 2013 will include the following:

- Considering and resolving the grievances of security holders of the Company
- Overseeing redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The details of correspondences / grievances received and redressed during the financial year 2014-15 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
A	Complaints		
	Directly from Shareholders	130	130
	SEBI	2	2
	Stock Exchanges	2	2
	Total (A)	134	134
B	Type of Requests from Shareholders		
	Request for change of address	98	98
	Request for procedure of transfer/transmission of shares /deletion of name	88	88
	Request for change/correction of Bank details/mandate /Ecs details	89	89
	Request for revalidation/issue of fresh demand drafts	119	119
	Issue of Duplicate share certificates	17	17
	Change of Signature	5	5
	Request for stop transfer removal	11	11
	Request for stop transfer / procedure for duplicate	50	50
	Confirmation of details	31	31
	Exchange of Shares	77	77
	Dematerialisation of Shares	7	7
	Miscellaneous	6	6
	Total (B)	598	598
	Grand Total (A+B)	732	732

Mr. Anand V. Kumashi, Company Secretary, has been appointed as the Compliance Officer, as required by Clause 47(a) of the Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. He has been entrusted the task of meeting fully the requirements of the said clause and overseeing the share transfer work done by the Registrars and Share Transfer Agents; attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI, and stock exchanges.

With reference to clause 47(f) of the Listing Agreement the Company has designated exclusive e-mail ID as redressal@apcotex.com for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

E) Meeting of Independent Directors:

The company's Independent Directors met on 20th March 2015 without the presence of the Managing Director, Non-Executive Non-Independent Directors and the Management representatives. The meeting was attended by all the Independent Directors (except Mr. Shailesh Vaidya who couldn't attend on medical ground and advised bedrest) and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Code of Conduct:

The Company has a Code of Conduct for Directors and members of Senior Management. The Code is available on the Company's Website at http://apcotex.com/apadmin/Images/-CODE_OF_CONDUCT_new.pdf. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

Prohibition of Insider Trading:

In compliance with the provisions of SEBI (Prohibition of Insider Trading Regulations) 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted Code of Conduct for Insider Trading for prohibition of Insider trading for all Directors and specified employees of the Company. This policy also provides for periodical disclosures from the designated employees as well as pre-clearances of transactions by such persons.

Vigil Mechanism or Whistle-Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at http://apcotex.com/policies/Whistle_Blower_Policy.pdf.

Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Amit C. Choksey	Mrs. Priyamvada A. Bhumkar
Director Identification Number (DIN)	00001470	00726138
Date of Birth	14/10/1954	02/07/1962
Nationality	Indian	Indian
Date of Appointment on Board	21/11/1997	31/10/2014
Qualification	Bachelor of Commerce	Graduation in Chemicals, MBA from Mumbai University,
Shareholding in AIL	55,025	NIL



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Name of the Director	Mr. Amit C. Choksey	Mrs. Priyamvada A. Bhumkar
List of Directorship held in other Companies (excluding foreign, private and Section 8 Companies)	1. Aeonian Investments Company Ltd 2. Cons Holdings Ltd 3. Mazda Colours Ltd. 4. Sammelan Investment and Trading Ltd	1. EMCO Ltd
Membership / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Chairman – Stakeholder Relationship Committee	N.A.
Relationship with other Board Members.	Related to Mr. Atul Choksey, Mr. Girish Choksey and Mr. Abhiraj Choksey	N.A.

General Body Meetings

During the preceding three years, the Company's Annual General Meeting were held at Plot no. 3/1, MIDC Industrial Area, Taloja-410208, Dist. Raigad, Maharashtra.

Details of last three Annual General Meetings Held:

Year	Date	Time	Special resolution/s passed
2013-14	31 st July 2014	10.30 a.m.	Yes(One)*
2012-13	28 th June 2013	11.30 a.m.	Yes(Two)*
2011-12	5 th July 2012	11.30 a.m.	Yes(One)*

*Special Resolution/s passed:

2013-14:

Authorised the Board of Directors to borrow funds upto ₹ 120 crores.

2012-13:

- 1) Appointment of Mr. Abhiraj Choksey as Managing Director for a period of 3 years
- 2) Split of equity share of ₹ 10/- each into two equity share of ₹ 5/- each.

2011-12:

- 1) For payment of Commission to Directors of the Company other than Managing Director.

Special Resolution passed through postal ballot

No special resolution was passed through postal ballot during the financial year 2014-15. None of the business proposed to be transacted in the ensuing Annual General meeting require passing a special resolution through postal ballot.

Disclosures:

Related Party Transactions:

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. The details of Related Party Transactions are given in Annexure IV to the Directors Report.

Risk Management:

The Company has since 2004-05, undertaken the exercise of identifying risks being faced by the company and ways of managing such risks. Risk minimisation is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company.

MD and CFO Certification:

Certificate from Mr. Abhiraj Choksey, Managing Director and Mr. Rohit Mahakal, CFO, in terms of clause 49(IX) of the Listing Agreement entered into with Stock Exchanges, was placed before the Board of Directors of the Company in its meeting held on 8th May 2015.

Compliances:

The Company believes that it has complied with all the regulations of Stock Exchanges, Securities and Exchange Board of India (SEBI) or other statutory authority/ties on matters related to capital markets. No penalty has been imposed or strictures passed during the year against the Company by SEBI, Stock Exchange(s), or any other statutory authority.

Means of Communication:

1. The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadeep', and displayed on Company's website, www.apcotex.com.
2. The Annual Report is circulated to all members, and is also available on the Company's website.
3. The Annual Report of the Company for the financial year 2014-15 has been emailed to the members whose email addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent at their registered address.
4. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

Management Discussion and Analysis forms part of the Directors Report.

Certification of Corporate Governance Report:

Certificate from Mr. Mahesh Hurgat, Practicing Company Secretary, (Membership no.-7139) on Corporate Governance, as required by Clause 49 of the Listing Agreement, is incorporated in this Annual Report.

General Shareholders Information:

- a) 29th Annual General Meeting will be held on **Friday, 31st day of July 2015** at **4.00 p.m.** at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra
- b) The Company's financial Year is 1st April to 31st March
- c) Dates of book closure: **Friday, 24th day of July 2015** to **Thursday, 30th day of July 2015** (both days inclusive) for the Purpose of Annual General meeting and payment of dividend.
- d) Proposed Dividend: ₹ 7/- (Rupees Seven Only) for Equity Shares of ₹ 5/- each.
- e) Dividend payment date: on or after **1st August 2015**
- f) Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.
- g) Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
- h) Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.
For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company.
- i) Listing on Stock Exchanges: The Company's equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd, Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date
- j) Stock Code : Bombay Stock Exchange Limited - 523694
Symbol : National Stock Exchange of India Ltd. - APCOTEXIND
- g) ISIN allotted to Equity Shares is INE116A01024



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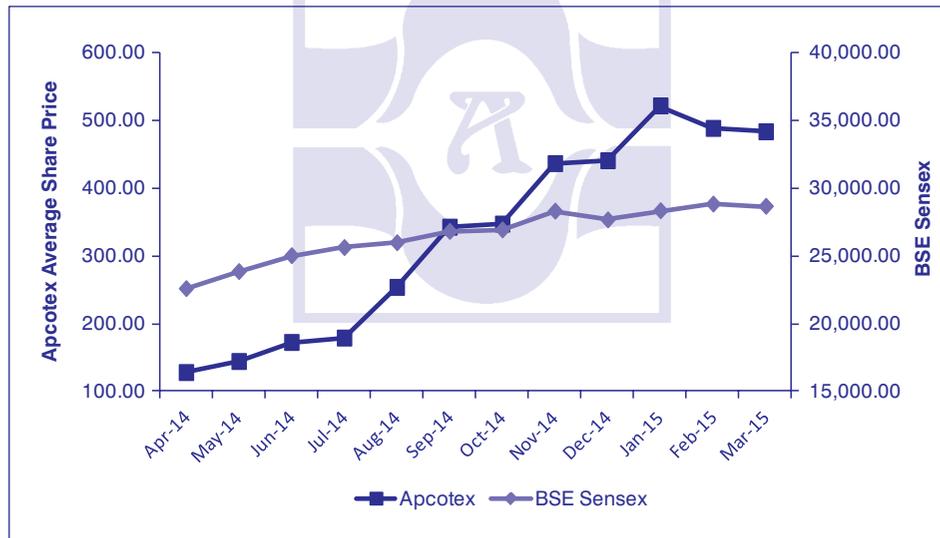
Market Price Data:

Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year 2014-15

(Amount in ₹)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April	136.70	118.55	140.00	118.20
May	162.00	125.85	161.00	125.00
June	190.00	154.00	191.00	154.05
July	194.95	162.00	195.90	163.20
August	309.50	197.00	309.40	198.00
September	395.00	289.00	395.40	283.00
October	378.00	315.05	377.95	319.10
November	478.40	393.00	478.40	392.00
December	514.90	365.00	515.00	419.00
January	573.05	468.60	575.00	461.70
February	557.25	418.00	559.50	417.10
March	545.60	419.70	546.15	415.00

Stock Performance Index :



Registrars and Share Transfer Agents:

The Company has appointed Link Intime India Pvt Limited as its Registrars and Share Transfer Agents w.e.f 1st August 2006. Share Transfers, dematerialisation of shares, and all other investors related activities are attended and processed at the office of the Registrars and Share Transfer Agents at the following address :

LINK INTIME INDIA PVT LTD

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai-400 078

Tel. No : (022) 25963838

Fax : (022) 25946969

Email : rnt.helpdesk@linkintime.co.in

Share Transfer System:

Company's shares are compulsorily traded in the demat segment on the stock exchange(s), and most transfers of shares take place in electronic form.

For expediting Physical transfer of shares, the Board has delegated the share transfer formalities to the officials of Registrar and Share Transfer Agent, to approve the transfer of shares on every Monday. Physical transfers are effected well within the stipulated period of 30 days.

Distribution of Share: Distribution of shareholding as on 31st March 2015.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	18,816	94.20	16,41,234	15.83
501 - 1000	607	3.04	4,70,658	4.54
1001 - 2000	254	1.27	3,87,918	3.74
2001 - 3000	91	0.46	2,30,045	2.22
3001 - 4000	39	0.19	1,39,764	1.35
4001 - 5000	39	0.19	1,80,212	1.74
5001 - 10000	67	0.34	4,65,822	4.49
Above 10001	61	0.31	68,53,339	66.09
Total	19974	100.00	1,03,68,992	100.00

Categories of Shareholding as on 31st March 2015:

Sr. No.	Category	No. of Shares	% of shareholding
1.	Promoters' Holding Indian Promoters	59,73,033	57.60
2.	Non promoters' Holding Mutual Funds/Trusts/clearing members	28,749	0.28
	Insurance companies/Banks/Financial Institution	1,511	0.01
	Indian Public	37,71,378	36.37
	Directors/Relatives	274	-
	Hindu Undivided Family	5,106	0.05
	Non Resident Indians	1,46,970	1.42
	Other Corporate Bodies	4,41,971	4.26
	Total	1,03,68,992	100.00

Dematerialisation of Shares:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2015, **97,05,748** Equity Shares comprising of 93.60% of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion data and impact on equity: NIL

Other Information:

Corporate Identification Number (CIN No.):

L99999MH1986PLC039199

Plant Location:

Plot No.3/1, MIDC Industrial Area
Taloja – 410 208, Dist. Raigad, Maharashtra
Telephone : (022) 2740 3500
Fax : (022) 2741 2052



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Investors Correspondence:

Investor correspondence may be addressed to any of the following:

Registered Office and Plant	Registrar & Share Transfer Agents
Plot No.3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra Telephone: (022) 2740 3500 Fax: (022) 2741 2052	LINK INTIME INDIA PVT LTD (formerly Intime Spectrum Registry Ltd) C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup(w), Mumbai-400 078 Tel. No. - (022) 2596 3838 Fax - (022) 2594 6969
Website: www.apcotex.com E-mail: redressal@apcotex.com	Website: www.linkintime.co.in E-mail. : rnt.helpdesk@linkintime.co.in

Unclaimed Dividend

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are to be transferred to the Investors Education and Protection Fund, administered by the Central Government. The table given below gives the dates of dividend declaration or payment and the corresponding date when unclaimed dividends will be due to be transferred to the Central Government.

Year	Dividend Account No.	Bank name	Date of declaration	Date due for transfer to Central Government
2007-08	036010200012546	AXIS Bank	12/07/2008	11/07/2015
2008-09	00602230012006	HDFC Bank Ltd	27/07/2009	26/07/2016
2009-10	31260068904	State Bank of India	27/07/2010	26/07/2017
2010-11	31847607342	State Bank of India	30/07/2011	29/07/2018
2011-12	32385456081	State Bank of India	05/07/2012	04/07/2019
2012-13	33052231411	State Bank of India	28/06/2013	27/06/2020
2013-14	33955651985	State Bank of India	31/07/2014	29/07/2021

The concerned shareholders are requested to get their uncashed dividend warrants revalidated and encashed thereafter.

Declaration – Code of Conduct

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31st March 2015, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Place : Mumbai
Dated : 8th May 2015.

Abhiraj Choksey
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the **Members of Apcotex Industries Limited**

Taloja, Dist. Raigad, Maharashtra.

I have examined the compliance of conditions of **Corporate Governance** by **Apcotex Industries Limited** for the financial year 2014-15, as stipulated in Clause 49 of the Listing Agreement entered into by the said Company with the stock exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Mumbai: 8th May 2015



MAHESH HURGAT
PRACTICING COMPANY SECRETARY
ACS NO.: 7139 C.P. No. 2498



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INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
APCOTEX INDUSTRIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **Apcotex Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 3a and Note 11(a) (i) to the financial statements, consequent to Schedule II to the Companies Act, 2013 becoming applicable with effect from April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of ₹ 146.71 Lacs (net of deferred tax of Rs 75.54 Lacs) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to General Reserve.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements to the financial statements.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W

ERMIN K. IRANI
PARTNER
Membership No. 35646

Place: Mumbai
Dated: May 08, 2015





ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on the financial statements of the Company for the year ended March 31, 2015:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- 2) (a) The management has conducted physical verification of inventory at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been dealt with in the books of account.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a) and (b) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. There is no sale of service. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, with regard to deposits accepted from the public are not applicable to the Company.
- 6) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India for maintenance of cost records under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.
- 7) (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2015 for a period of more than six months from the date on which they became payable.
- (b) According to the information and explanations given to us, and the records of the Company, the details of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs and Duty of Excise as at March 31, 2015 which have not been deposited with the appropriate authorities on account of any dispute, are given below:

Sr No	Name of the Statute	Amount in Lacs	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961.	3.75	2002-03	Commissioner of Income Tax (Appeals).
2	Income Tax Act, 1961.	36.53	2005-06	Commissioner of Income Tax (Appeals).
3	Income Tax Act, 1961.	2.19	2006-07	Commissioner of Income Tax (Appeals).
4	Income Tax Act, 1961.	208.33	2007-08	Commissioner of Income Tax (Appeals).
5	Income Tax Act, 1961.	141.29	2011-12	Commissioner of Income Tax (Appeals).
6	Income Tax Act, 1961.	136.13	2012-13	Commissioner of Income Tax (Appeals).

Sr No	Name of the Statute	Amount in Lacs	Period to which the amount relates	Forum where dispute is pending
7	MVAT	1.70	2006 -07	Bombay High Court
8	MVAT	63.22	2007 to 2011	Joint Commissioner of Sales Tax
9	Customs Act	142.09	August 2000 to July 2004	Supreme Court
10	Central Excise Act & Service Tax	0.13	2007-08	Tribunal
11	Central Excise Act & Service Tax	1.59	2009-10 to 2011-12	Dy. Comm
12	Central Excise Act & Service Tax	16.12	2005-06 to 2009-10	Assistant Commissioner- Service Tax

- (c) According to the information and explanations given to us, there are no amounts required to be transferred to investor education and protection fund.
- 8) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
- 9) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or debenture holders.
- 10) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and other financial institutions.
- 11) According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.
- 12) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W

ERMIN K. IRANI
PARTNER
Membership No. 35646

Place: Mumbai
Dated: May 08, 2015



apcotex industries limited

BALANCE SHEET AS ON 31ST MARCH 2015

₹ In Lacs

	Notes	As at 31 st March 2015	As at 31 st March 2014
EQUITY AND LIABILITIES			₹ In Lacs
Shareholder's Funds			
Share Capital	2	522.35	522.35
Reserves and Surplus	3	9,452.95	8,005.19
		<u>9,975.30</u>	<u>8,527.54</u>
NON CURRENT LIABILITIES			
Long Term Borrowings	4	836.28	1,669.99
Deferred Tax Liability (Net)	5	558.50	637.75
Other Long Term Liabilities	6	132.60	102.10
Long Term Provisions	7	177.95	164.13
		<u>1,705.33</u>	<u>2,573.97</u>
CURRENT LIABILITIES			
Short Term Borrowings	8	1,439.24	2,294.17
Trade Payables	9	2,026.20	2,501.25
Other Current Liabilities	10	1,986.17	1,717.57
Short Term Provisions	7	933.82	723.22
		<u>6,385.44</u>	<u>7,236.22</u>
TOTAL		<u>18,066.07</u>	<u>18,337.73</u>
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	6,298.74	6,768.54
Intangible Assets	11 B	26.52	10.62
Capital work-in-progress		187.60	112.75
		<u>6,512.86</u>	<u>6,891.91</u>
Non-current Investments	12	3,076.15	2,444.95
Long Term Loans and Advances	13	629.82	690.53
Other Non Current Assets	14	27.35	75.73
CURRENT ASSETS			
Inventories	15	1,522.20	1,710.04
Trade Receivables	16	4,870.38	5,170.54
Cash and Bank balances	17	442.83	612.15
Short Term Loans and Advances	13	547.00	371.96
Other Current Assets	18	437.48	369.91
		<u>7,819.88</u>	<u>8,234.60</u>
TOTAL		<u>18,066.07</u>	<u>18,337.73</u>
Significant Accounting Policies	1		

The accompanying Notes 1 to 44 are an integral part of the Financial Statements

As per our Report of even date
For **KALYANIWALLA & MISTRY**
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, Date : 8th May 2015

For and on behalf of Board of Directors
ATUL C. CHOKSEY Director
ABHIRAJ A. CHOKSEY Managing Director
MANUBHAI G. PATEL Chairman-Audit Committee

ANAND V. KUMASHI Company Secretary
ROHIT R. MAHAKAL Chief Financial Officer

Mumbai, Date : 8th May 2015

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

₹ In Lacs

	Note No.	For the year ended 31 st March 2015	For the year ended 31 st March 2014
INCOME			
Revenue from Operations	19A	39,114.46	33,035.43
Less: Excise duty		3,777.60	3,497.62
Revenue from Operations (Net of excise duty)		35,336.86	29,537.81
Other Operating Revenue	19B	171.23	165.47
Other Income	20	557.53	243.41
TOTAL REVENUE		36,065.63	29,946.69
EXPENSES			
Cost of Materials Consumed	21A	24,880.94	23,019.21
Changes in Inventories of Finished Goods and Work in Progress	21B	139.45	(355.54)
Employee Benefit Expenses	22	1,410.26	1,158.82
Other Expenses	23	4,930.16	3,367.77
TOTAL EXPENSES		31,360.81	27,190.26
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		4,704.83	2,756.43
Depreciation and Amortization Expense	24	897.71	676.81
Finance Cost	25	324.26	414.49
PROFIT BEFORE TAX		3,482.85	1,665.13
Less : Tax Expenses			
Current Tax		1,018.50	371.00
Deferred Tax	5	(3.71)	(20.20)
Total Tax Expenses		1,014.79	350.80
PROFIT AFTER TAX		2,468.06	1,314.33
Basic and Diluted Earnings per Equity Share of ₹ 5/- each	41	23.80	12.68
Significant Accounting Policies	1		
The accompanying Notes 1 to 44 are an integral part of the Financial Statements			

As per our Report of even date
For **KALYANIWALLA & MISTRY.**
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, Date : 8th May 2015

For and on behalf of Board of Directors
ATUL C. CHOKSEY Director
ABHIRAJ A. CHOKSEY Managing Director
MANUBHAI G. PATEL Chairman-Audit Committee

ANAND V. KUMASHI Company Secretary
ROHIT R. MAHAKAL Chief Financial Officer

Mumbai, Date : 8th May 2015



apcotex industries limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in lacs)

	For the Year ended 31 st March 2015	For the Year ended 31 st March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit Before Tax	3,482.85	1,665.12
Adjustments for :		
Depreciation and Amortization Expense	897.71	676.81
Finance Cost	324.26	414.49
Foreign Exchange Fluctuation Difference	67.45	(29.87)
Fixed Assets Written off	29.78	14.98
Loss on Sale of Assets	0.96	3.44
Bad Debts Written Off	9.33	0.77
Provision for Bad and Doubtful Debts	12.23	9.33
(Loss) / Surplus on Sale of Investment	(465.98)	(117.37)
Dividend Income	(24.27)	(30.02)
Interest received	(17.22)	(21.32)
Income from Investment Property	(37.66)	(22.52)
Excess Provision Written back	(43.67)	(70.34)
Operating Profit Before Working Capital Changes	4,235.79	2,493.50
Adjustments for :		
Increase / (Decrease) in Non Current Liabilities	40.99	4.35
Increase / (Decrease) in Current Liabilities	(187.13)	410.22
(Increase) / Decrease in Non Current Assets	(167.45)	(92.47)
(Increase) / Decrease in Current Assets	245.39	(1,519.35)
Cash Flow Generated from Operations	4,167.58	1,296.24
Direct taxes paid	(978.15)	(306.08)
Net Cash Flow from Operating Activities	3,189.43	990.16
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(757.19)	(578.23)
Sale of Fixed Assets	2.55	2.89
Purchase of Investments	(2,395.56)	(2,538.16)
Sale of Investments	2,314.85	2,473.06
Dividend Income	24.27	30.02
Interest received	17.22	21.32
Income from Investment Property	37.66	22.52
Net Cash Used in Investing Activities	(756.20)	(566.58)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) of Short Term Borrowings (Net)	(854.93)	229.90
Repayment of Long Term Borrowings	(817.08)	(616.83)
Finance Cost paid	(334.20)	(431.21)
Dividends paid	(508.23)	(453.55)
Dividend Distribution Tax paid	(88.11)	(79.30)
Net Cash Used in Financing Activities	(2,602.55)	(1,350.99)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(169.32)	(927.41)
Cash and cash equivalents as at 1 st April 2014	612.15	1,539.56
Cash and cash equivalents as at 31 st March 2015	442.83	612.15
	169.32	927.41

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities
- 2 Figures in the Bracket are outflows / deductions
- 3 Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.

As per our Report of even date
For **KALYANIWALLA & MISTRY.**
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, Date : 8th May 2015

For and on behalf of Board of Directors
ATUL C. CHOKSEY Director
ABHIRAJ A. CHOKSEY Managing Director
MANUBHAI G. PATEL Chairman-Audit Committee

ANAND V. KUMASHI Company Secretary
ROHIT R. MAHAKAL Chief Financial Officer

Mumbai, Date : 8th May 2015

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

Corporate Information note on business activity

Apcotex Industries Ltd. is one of the leading producers of Synthetic Lattices (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

The classification of assets and liabilities of the Company into current or non-current is based on the criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the disclosures of contingent liabilities. Difference between actual results and the estimates are recognized in the period in which the results materialize / are known.

(iii) Fixed Assets and Depreciation / Amortization

a. Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Capital work-in-progress comprises of the cost of fixed assets that are not ready for their intended use at the reporting date. Profit or Loss on disposal of tangible assets is recognized in the Statement of Profit and Loss.

b. Depreciation & Amortization

On Tangible Assets:

The Company has provided depreciation on basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 consequent to Schedule II becoming applicable w.e.f 01st April 2014. The excess depreciation on tangible assets whose useful life is already exhausted as on 01st April 2014 is transferred to General Reserves (net of deferred taxes).

On Intangible Assets:

Intangible assets are amortized on SLM method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management.

- i. Computer Software – Written off over a period of three years

c. Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable



apcotex industries limited

amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods

(iv) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

(v) Investments

Non-current investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

Current Investments are stated at lower of cost and fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on average cost basis.

(vi) Inventory

Inventories are valued at lower of Cost and Net Realizable Value.

The cost is determined as follows:

- (a) Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.
- (b) The finished goods inventory is valued at cost, or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties and other costs incurred in bringing the inventories to their present location and condition.
- (c) Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.
- (d) Stores, Spares and consumables are valued at cost, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities, if any.

Slow-moving and damaged, unserviceable stocks are adequately provided wherever considered necessary.

(vii) Excise Duty :

Excise Duty paid on goods manufactured by the Company is accounted for at the time of dispatch of goods from the factories.

Excise Duty payable on goods manufactured is accrued for stocks held in factories at the year-end. Excise Duty paid/ payable on goods manufactured by the Company and remaining in stock, is included in the value of Finished Goods. Excise duty related to the difference between the closing stock and opening stock of Finished Goods is recognized in the Statement of Profit and Loss.

(viii) Transactions in foreign exchange

(a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

(b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency denominated monetary assets & liabilities of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss. However exchange differences relating to fixed assets have been included in the carrying amount of fixed assets.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

In case of other forward exchange contracts, the difference between the transaction rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. However forward exchange contract relating to fixed assets have been included in the carrying amount of fixed assets.

(ix) Forward Exchange Contracts – Hedging

The company uses forward exchange contracts to hedge its foreign exchange exposures relating to the underlying transactions and firm commitments. The use of these foreign exchange forward and options contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. The premium on forward contracts taken for purchase of fixed assets are capitalized as the cost of the asset and the premium on other contracts is recognized over the life of the contract in the Statement of Profit or Loss.

(x) Employees' Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits:

Defined contribution plans :

Contribution towards plans like Employee State Insurance Scheme, Government administered Provident Fund and Pension Fund Scheme and Superannuation Scheme for eligible employees are made to the regulatory authorities and are classified as Defined Contribution Plans. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plans

The cost of providing benefit i.e. gratuity is determined using the Projected Unit Credit Method with actuarial valuation carried out as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. The fair value of the planned assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Other long-term employee benefits

Entitlements to annual privilege leave are recognized when they accrue to employees. Privilege leave can be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

(xi) Research and Development

(a) Capital expenditure is shown separately under respective heads of fixed assets. These assets are depreciated over their useful life.

(b) Revenue expenses are included under the respective heads of expenses.

(xii) Taxes on Income

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961.



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Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period in which such credit can be carried forward for set-off.

(xiii) Cash & Cash Equivalent:

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(xiv) Leases - Assets taken on operating lease

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term of the asset.

(xv) Revenue Recognition:

- (a) Domestic sales are recognized at the point of dispatch of goods to customers, which is when risks and rewards of ownership are passed to the customers. Sales are inclusive of excise duty but net of trade discount and VAT /sales tax.
- (b) Export sales are recognized based on the bill of lading except sales to Nepal which are recognized when the goods cross the Indian Territory, which is when risks and rewards of ownership are passed to the customers.
- (c) Dividend income is recognized when the right to receive the same is established.
- (d) Interest and other income are recognized on accrual basis.
- (e) Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.
- (f) Insurance claims are recognized post filing of the claim with the insurer.

(xvi) Provisions and Contingencies:

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xvii) Earnings per Share

Basic and diluted earnings per share are computed by dividing the net profit after taxes attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

(xviii) Measurement of EBITDA

The Company has elected to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit / (loss) from continuing operations.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of ₹ 5/- each (2,99,40,000 Equity Shares of ₹ 5/- each)	1,497.00	1,497.00
500 Preference Shares of ₹ 100/- each (500 Preference Shares of ₹ 100/- each)	0.50	0.50
50,000 Unclassified Shares of ₹ 5/- each (50,000 Unclassified Shares of ₹ 5/- each)	2.50	2.50
	1,500.00	1,500.00
Issued, Subscribed and Paid up capital		
1,03,68,992 Equity Shares of ₹ 5/- (1,03,68,992 Equity Shares of ₹ 5/-) each fully paid. (Including ₹ 3.90 lacs towards 78,051 shares forfeited at ₹ 5/- each)	522.35	522.35
Total	522.35	522.35

Note:

a) The Company had wide resolution passed at AGM of the Company on 28th June 2013, approved the subdivision of each equity share of the company having face value of ₹ 10/- each fully paid into 2 equity shares of Face Value of ₹ 5 only on 17th August 2013 (Record Date). The authorised equity share capital was also subdivided in 2,99,40,000/- equity shares of ₹ 5 each.

b) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31 st March 2015		As at 31 st March 2014	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	1,03,68,992	522.35	51,84,496	522.35
Add : Increase in the number of Shares on subdivision of each share of ₹ 10 each into 2 Equity shares of ₹ 5 each during the year	-	-	51,84,496	-
Outstanding at the end of the year	1,03,68,992	522.35	1,03,68,992	522.35

c) Details of Shareholders holding more than 5% equity shares in the company

Equity Shares	As at 31 st March 2015		As at 31 st March 2014	
	No of Shares Face Value of ₹ 5 Each	% Holding	No of Shares Face Value of ₹ 10 Each	% Holding
Trivikram Investment & Trading Company Ltd.	19,73,336	19.07	19,73,336	19.03
Dhumraketu Investment & Trading Company Pvt. Ltd	16,59,557	16.00	16,58,952	16.00
Atul Champaklal Choksey	6,67,700	6.44	6,67,700	6.44
Saldhar Investment & Trading Company Pvt. Ltd	5,66,544	5.46	5,66,544	5.46

d) Rights, Preferences & Restrictions attached to Equity Shares:

The Company has one class of share having a par value of ₹ 5 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

e) Aggregate number of shares & class of shares bought back during the last 5 years:

(₹ In Lacs)

Financial Year 2009-10		As at 31 st March 2015	As at 31 st March 2014
No of Equity Shares		3,42,856	3,42,856
Face Value per Share		10	10
Total Face Value (₹ in Lacs)	A	34.29	34.29
Premium per Share		78.89	78.89
Total Premium (₹ in Lacs)	B	270.49	270.49
Grand Total (₹ in Lacs)	(A+B)	304.78	304.78

(₹ In Lacs)

		As at 31 st March 2015	As at 31 st March 2014
NOTE 3 : RESERVES AND SURPLUS			
(a) Capital Redemption Reserve		34.30	34.30
(b) Share Premium		3,084.11	3,084.11
(c) General Reserve			
As per last Balance Sheet		1750.43	1,618.93
Add : Transfer from Statement of Profit and Loss		800.00	131.50
*Less: Adjustment on account of excess depreciation as on 1 st April 2014 (Refer Note 3a below)		(146.71)	
		2403.72	1,750.43
(d) Surplus in Statement of Profit and Loss			
As per last Balance Sheet		3,136.36	2,560.10
Add : Net profit after tax transferred from Statement of Profit and Loss		2,468.06	1,314.33
Amount available for appropriation		5,604.42	3,874.42
Less: Appropriations			
Dividend on Equity shares:			
- Proposed Dividend ₹ 7 per share of ₹ 5 each, (Previous year ₹ 5 per share of ₹ 5 each)]		725.83	518.46
Dividend Distribution Tax		147.76	88.11
Transfer to General Reserve		800.00	131.50
		3930.82	3,136.36
Total		9452.95	8,005.19

*Note :

3a. Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of ₹ 146.71 lacs (net of deferred tax of ₹ 75.54 lacs) on account of assets whose useful life is already exhausted as on 1st April 2014, has been adjusted to General Reserve.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 4 : LONG TERM BORROWINGS		
Term Loan		
Secured		
From Bank	836.28	1,669.99
	836.28	1,669.99

Notes:

1a. Borrowing are in the form of Term Loan (ECB) carrying an Interest rate of LIBOR + 2.5% to LIBOR + 3.5% and secured by hypothecation of the Company's entire Plant & Machinery by way of first charge;

1b. Repayment - During November 2013, Company has taken forward cover through 'Call Option' for repayment of remaining principal instalments of ECB

2. Repayment schedule of Term Loan: (₹ In Lacs)

Financial Year	Amount	Amount
2015-16	-	833.43
2016-17	836.28	836.56

3. Default in terms of repayment of principal and interest – NIL;

4. Foreign currency loan due for Repayment during the next twelve months considered in Other Current Liabilities is ₹ 833.71 lacs (Previous Year ₹ 833.43 lacs)

Note 5: DEFERRED TAX LIABILITY (NET)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2015 are as follows:

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	565.28	621.32
Depreciation on Scientific Research Assets	41.29	61.75
Others	-	-
Total deferred tax liabilities	606.57	683.07
Deferred tax assets		
Provision for leave encashment	34.26	35.49
Provision for doubtful debts	7.33	3.17
Provision for bonus	6.48	6.66
Total deferred tax assets	48.07	45.32
Net Deferred tax liability/(assets) (Refer Note 3a)	558.50	637.75



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
Note 6: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	132.60	102.10
	<u>132.60</u>	<u>102.10</u>

Note:

- Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate of 9% p.a.

(₹ In Lacs)

	Long -Term		Short -Term	
	As at 31 st March 2015	As at 31 st March 2014	As at 31 st March 2015	As at 31 st March 2014
NOTE 7. PROVISIONS				
Employee liabilities				
Leave Encashment	80.31	69.82	20.48	16.22
Proposed Dividend	-	-	725.83	518.45
Provision for Dividend Distribution Tax	-	-	147.76	88.11
Income Tax	97.64	94.31	39.75	100.44
	<u>177.95</u>	<u>164.13</u>	<u>933.82</u>	<u>723.22</u>

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 8 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Packing Credit Foreign Currency Loan	585.79	-
Cash Credit/Working Capital Demand Loan	853.46	2,294.17
	<u>1,439.24</u>	<u>2,294.17</u>

Note :-

- Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The CC / WCDL carry an interest rate in the range of 10.25% p.a. to 13.65% p.a. and Packing credit facility carry and interest rate in the range of 2.0 to 2.50% p.a.
- Default in terms of repayment of principal and interest – NIL.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables (Refer note 43 for Details of due to Micro and Small Enterprises)	2,026.20	2,501.25
	<u>2,026.20</u>	<u>2,501.25</u>
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	4.23	12.12
Trivikram Investment & Trading Co. Ltd	3.42	-

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 10. OTHER CURRENT LIABILITIES		
(a) Other Payables		
Current Maturities of Long-term debt	833.71	833.43
Interest accrued but not due on borrowings	13.66	28.09
Statutory Payables -		
Central Sales Tax and VAT	5.13	0.20
Service Tax	3.05	0.00
Excise duty on Closing Stock	84.72	54.54
TDS under Income tax	32.17	23.22
Provident Fund, Profession Tax and ESIC	9.44	8.93
Payable to Employees		
Salaries & Wages	92.13	77.90
Bonus	20.57	21.09
Incentives	55.22	18.00
Gratuity	27.85	18.38
Unpaid/ Unclaimed dividend	44.81	34.59
Unclaimed Fixed Deposits and Interest thereon	0.70	0.70
Other Liabilities		
Payable for Expenses	522.87	121.83
Payable for Capital Goods	75.13	78.16
Commission to Non Exe. Directors	31.53	16.00
Advances received from Customers	25.87	110.09
Outstanding Expenses	107.61	272.42
	<u>1,986.17</u>	<u>1,717.57</u>

Note: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 11A & 11B : FIXED ASSETS

(₹ in lacs)

	Gross Block				Depreciation					Net Block Value	
	As at 01.04.2014	Additions	Deletions/ Adjustments	As at 31.3.2015	Upto 01.04.2014	Trf to Gen Res*	For the Year**	Deletions/ Adjustments	Upto 31.3.2015	As at 31.3.2015	As at 31.03.2014
A. Tangible Assets :											
Leasehold Land	7.64	-	-	7.64	2.67	-	0.07	-	2.73	4.91	4.98
Buildings	2,512.12	1.81	(0.22)	2,513.71	750.95	0.14	70.14	(0.12)	821.11	1,692.60	1,761.17
Plant and Equipment	6,481.65	457.18	(483.06)	6,455.77	3,433.50	142.41	498.71	(459.58)	3,615.04	2,840.73	3,048.15
Scientific Research Equipments	305.44	4.23	-	309.67	123.72	14.21	50.26	-	188.19	121.48	181.72
Furnitures & office equipments	199.11	65.49	(3.63)	260.97	108.33	20.56	28.15	(3.54)	153.50	107.47	90.79
Vehicles	196.80	3.39	(9.30)	190.89	73.04	0.13	30.40	(5.83)	97.74	93.15	123.76
Electric & Pipe Fittings	1,650.25	142.75	(53.84)	1,739.16	575.65	42.98	186.91	(47.91)	757.63	981.53	1,074.60
Wind Turbine Generator	612.79	-	-	612.79	129.42	-	26.51	-	155.93	456.87	483.37
Total tangible assets	11,965.82	674.86	(550.05)	12,090.61	5,197.28	220.42	891.14	(516.97)	5,791.87	6,298.74	6,768.54
B. Intangible Assets :											
Computer Softwares	62.22	24.00	(6.54)	79.68	51.60	1.83	6.26	(6.53)	53.16	26.52	10.62
Total intangible assets	62.22	24.00	(6.54)	79.68	51.60	1.83	6.26	(6.53)	53.16	26.52	10.62
Total (A+B)	12,028.04	698.86	(556.59)	12,170.30	5,248.87	222.25	897.40	(523.50)	5,845.02	6,325.26	
Previous year	11,371.52	1,050.77	(394.25)	12,028.04	4,872.61	-	676.73	(300.47)	5,248.87		6,779.16
Capital Work-in-progress										187.60	112.75
										6,512.86	6,891.91

*Note : 11 A - i) Refer Note 3A.

** 11 A - ii) Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31,2015 has been provided on the basis of the useful lives as prescribed in Schedule II. This has resulted in the depreciation expense for the year ended March 31, 2015 being higher by ₹ 171.94 lacs..

(₹ in lacs)

		As at 31 st March 2015	As at 31 st March 2014
SCHEDULE 12: NON CURRENT INVESTMENTS			
(A)	INVESTMENT PROPERTY (at cost less accumulated depreciation)		
	Buildings given on Operating Lease:		
	Opening Gross Block	30.86	-
	Add: Additions during the year	1.83	-
	Add: Transfer from Fixed Assets during the year	-	30.86
	Closing Gross Block	32.69	30.86
	Less:		
	Opening Accumulated Depreciation	19.93	-
	Add: Transfer from Accumulated depreciation during the year	0.00	19.86
	Add: Depreciation for the year	0.31	0.08
	Closing Accumulated Depreciation	20.24	19.93
	Net Block (a)	12.45	10.93

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs)

		As at 31 st March 2015	As at 31 st March 2014
(B)	LONG TERM INVESTMENTS		
1)	UNQUOTED		
i)	TRADE INVESTMENTS		
1	Nil (P.Y. 333) Ordinary Shares of Bombay Mercantile Co-op. Bank Ltd., Mumbai of the face value of ₹ 30/- fully paid	-	0.10
		-	0.10
ii)	NON-TRADE INVESTMENTS		
1	120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of ₹ 10/- fully paid	16.00	16.00
		16.00	16.00
iii)	INVESTMENTS IN MUTUAL FUNDS		
1	203.746 Units (P. Y. Nil Units) Reliance Liquid Fund - Treasury Plan-Weekly Div	3.08	-
2	94134.364 Units (P. Y. 197101.984 Units) Birla Sun Life Frontline Equity Fund - Growth	59.88	125.38
3	400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	40.00
4	515685.914 Units (P. Y. 1020385.797 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	90.97	180.00
5	1294054.87 Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	194.00	194.00
6	137541.367 Units (P. Y. Nil Units) ICICI Prudential Value Discovery Fund - Reg Plan (G)	117.40	-
7	2748674.592 Units (P. Y. 2748674.592 units) of DWS Gilt Fund - Regular Growth	350.00	350.00
8	370000 Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	37.00
9	51399.854 Units (P. Y. Nil units) of UTI Equity Fund - (Gr)	37.30	-
10	Nil Units (P. Y. 450.0288 units) of Kotak Floater Short Term - Daily Div	-	4.55
11	575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	60.00
12	16928.446 Units (P. Y. 16928.446 units) of Franklin India Prima Fund (G)	60.00	60.00
13	161051.012 Units (P. Y. Nil units) of Franklin India Smaller Companies Fund - (Gr)	47.00	-
14	333172.3 Units (P. Y. 333172.3 units) of SBI Bluechip Fund - Regular Plan (GR)	60.00	60.00
15	141333.434 Units (P. Y. 141333.434 units) of IDFC Sterling Equity Fund (GR)	30.00	30.00
16	21597.766 Units (P. Y. Nil units) of HDFC Equity Fund (GR)	73.70	-



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs)

		As at 31 st March 2015	As at 31 st March 2014
17	430356.66 Units (P. Y. Nil units) of HDFC Mid-Cap Opportunities Fund - (GR)	117.40	-
18	95305.688 Units (P. Y. Nil units) of Sundaram S.M.I.L.E. Fund - Reg Plan (Gr)	47.00	-
19	1.22 Units (P. Y. Nil units) of Pramerica Liquid Fund - Direct Plan - Wkly Divd	0.01	-
		<u>1424.74</u>	<u>1140.93</u>
2)	QUOTED		
i)	NON-TRADE INVESTMENTS		
1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of ₹ 1/- fully paid	4.99	4.99
2	"5000 (P. Y. 1000) Equity Shares of Axis Bank of the face value of ₹ 2/- fully paid (Includes Stock Split 1:5)"	-	-
3	"300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of ₹ 10/- fully paid"	-	-
4	"100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of ₹ 5/- fully paid"	-	-
5	"1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of ₹ 10/- fully paid"	-	-
6	"1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of ₹ 10/- fully paid"	-	-
7	4975 (P. Y. 6350) Equity Shares of Lupin Ltd of the face value of ₹ 2/- fully paid	37.40	47.74
8	Nil (P. Y. 3200) Equity Shares of Jammu & Kashmir Bank Ltd of the face value of ₹ 10/- fully paid	-	28.15
9	Nil (P. Y. 18550) Equity Shares of Sun TV Network Ltd of the face value of ₹ 5/- fully paid	-	66.67
10	18050 (P. Y. 4950) Equity Shares of Axis Bank Ltd. of the face value of ₹ 2/- fully paid (Includes Stock Split 1:5)	35.76	49.03
11	23625 (P. Y. 28650) Equity Shares of United Phosphorous Ltd. of the face value of ₹ 2/- fully paid	37.87	43.78
12	12020 (P. Y. 7400) Equity Shares of ING Vysya Bank Ltd. of the face value of ₹ 10/- fully paid	75.84	46.26
13	15450 (P. Y. 17200) Equity Shares of Kajaria Ceramics Ltd. of the face value of ₹ 2/- fully paid	40.27	44.83
14	Nil (P. Y. 10350) Equity Shares of IPCA Laboratories Ltd. of the face value of ₹ 2/- fully paid	-	33.90
15	Nil (P. Y. 22800) Equity Shares of Mahindra & Mahindra Financial Services Ltd. of the face value of ₹ 2/- fully paid	-	58.08
16	Nil (P. Y. 24500) Equity Shares of KPIT Cummins Infosystems Ltd. of the face value of ₹ 2/- fully paid	-	25.39

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs)

	As at 31st March 2015	As at 31 st March 2014
17 Nil (P. Y. 2000) Equity Shares of Mindtree Ltd. of the face value of ₹ 10/- fully paid	-	13.77
18 4975 (P. Y. 8025) Equity Shares of Cadila Healthcare Ltd. of the face value of ₹ 5/- fully paid	42.12	67.95
19 19208 (P. Y. 9382) Equity Shares of Tech Mahindra of the face value of ₹ 5/- fully paid (Includes Bonus 1:1 and Stock Split 1:2)	70.99	97.67
20 42900 (P. Y. 6175) Equity Shares of Havells India Ltd. of the face value of ₹ 5/- fully paid	71.19	39.86
21 Nil (P. Y. 5100) Equity Shares of Reliance Industries Ltd. of the face value of ₹ 10/- fully paid	-	45.25
22 Nil (P. Y. 12500) Equity Shares of Bajaj Electricals of the face value of ₹ 2/- fully paid	-	27.97
23 3575 (P. Y. 2725) Equity Shares of Larsen & Toubro Ltd. of the face value of ₹ 10/- fully paid	44.61	33.41
24 5675 (P. Y. Nil) Equity Shares of Kotak Mahindra Bank of the face value of ₹ 5/- fully paid	45.49	-
25 180 (P. Y. Nil) Equity Shares of MRF Ltd. of the face value of ₹ 10/- fully paid	37.43	-
26 9000 (P. Y. Nil) Equity Shares of Dalmia Bharat Ltd. of the face value of ₹ 2/- fully paid	40.19	-
27 7350 (P. Y. Nil) Equity Shares of Indusind Bank of the face value of ₹ 10/- fully paid	41.67	-
28 12625 (P. Y. Nil) Equity Shares of Raymond Ltd. of the face value of ₹ 10/- fully paid	55.05	-
29 3500 (P. Y. Nil) Equity Shares of Credit Analysis And Research of the face value of ₹ 10/- fully paid	45.59	-
30 16050 (P. Y. Nil) Equity Shares of PC Jeweller of the face value of ₹ 10/- fully paid	34.09	-
31 28725 (P. Y. Nil) Equity Shares of ICICI Bank Ltd of the face value of ₹ 2/- fully paid (Includes Stock Split 1:5)	90.10	-
32 4300 (P. Y. Nil) Equity Shares of MCX India of the face value of ₹ 10/- fully paid	37.69	-
33 47550 (P. Y. Nil) Equity Shares of Ashok Leyland of the face value of ₹ 1/- fully paid	32.05	-
34 Nil (P. Y. 8165) Equity Shares of Sudarshan Chemical Industries Ltd. of the face value of ₹ 10/- fully paid	-	37.29
35 84654 (P. Y. 49930) Equity Shares of KEC International Ltd. of the face value of ₹ 2/- fully paid	61.51	23.61
36 Nil (P. Y. 40519) Equity Shares of JMC Projects of the face value of ₹ 10/- fully paid	-	37.90
37 6894 (P. Y. 11219) Equity Shares of Zensar Tech of the face value of ₹ 10/- fully paid	19.57	29.26



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs)

	As at 31 st March 2015	As at 31 st March 2014
38 Nil (P. Y. 9677) Equity Shares of Deepak Nitrite of the face value of ₹ 10/- fully paid	-	21.02
39 21735 (P. Y. 41445) Equity Shares of Kalpataru Power Transmission Ltd of the face value of ₹ 2/- fully paid	24.49	34.56
40 Nil (P. Y. 7313) Equity Shares of Merck Ltd of the face value of ₹ 10/- fully paid	-	45.39
41 Nil (P. Y. 23370) Equity Shares of Tata Global Beverages of the face value of Amount	-	35.65
42 22040 (P. Y. 11235) Equity Shares of Godrej Properties of the face value of ₹ 5/- fully paid	53.19	18.93
43 40545 (P. Y. Nil) Equity Shares of IDFC Ltd of the face value of ₹ 10/- fully paid	62.86	-
44 9750 (P. Y. 13235) Equity Shares of Coromandel International Ltd of the face value of ₹ 1/- fully paid	23.68	29.89
45 1950 (P. Y. Nil) Equity Shares of Bajaj Finserv Ltd of the face value of ₹ 5/- fully paid	20.59	-
46 Nil (P. Y. 1580) Equity Shares of Tata Coffee Ltd of the face value of ₹ 10/- fully paid	-	14.87
47 171650 (P. Y. 120360) Equity Shares of TV18 Broadcast Ltd. of the face value of ₹ 2/- fully paid	52.01	28.17
48 1225 (P. Y. Nil) Equity Shares of Bajaj Finance Ltd of the face value of ₹ 5/- fully paid	25.08	-
49 23750 (P. Y. Nil) Equity Shares of Cox and Kings Ltd of the face value of ₹ 5/- fully paid	49.45	-
50 1125 (P. Y. Nil) Equity Shares of Dr Reddy Laboratories Ltd of the face value of ₹ 5/- fully paid	30.09	-
51 5400 (P. Y. Nil) Equity Shares of Glenmark Pharmaceuticals Ltd of the face value of ₹ 1/- fully paid	32.00	-
52 15725 (P. Y. Nil) Equity Shares of ITC Ltd of the face value of ₹ 1/- fully paid	50.02	-
53 118450 (P. Y. Nil) Equity Shares of PTC India Financial Services Ltd of the face value of ₹ 10/- fully paid	53.62	-
54 1425 (P. Y. Nil) Equity Shares of Shriram Transport Finance Company Ltd of the face value of ₹ 10/- fully paid	12.58	-
55 11650 (P. Y. Nil) Equity Shares of Sun Pharmaceuticals Industries Ltd of the face value of ₹ 1/- fully paid	75.14	-
56 18400 (P. Y. Nil) Equity Shares of Tata Motors Ltd DVR Shares of the face value of ₹ 2/- fully paid	56.68	-
57 Nil (P. Y. 24500) Equity Shares of Kotak Nifty ETF of the face value of ₹ 10/- fully paid	-	145.75
	1622.96	1276.99
Total of Long Term Investments (b)	3063.69	2434.02
Total (a+b)	3076.15	2444.95

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs)

	As at 31 st March 2015	As at 31 st March 2014
AGGREGATE MARKET VALUE OF INVESTMENTS		
QUOTED INVESTMENTS	2791.59	1848.22

(₹ In Lacs)

	Long Term		Short Term	
	As at 31 st March 2015	As at 31 st March 2014	As at 31 st March 2015	As at 31 st March 2014
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	34.85	96.86	-	-
Sundry deposits	<u>282.33</u>	<u>272.22</u>	-	1.50
	317.18	369.07	-	1.50
B. Loans and advances to Trust				
Advance contribution to Gratuity Fund trust	-	2.67	-	-
C. Other loans and advances				
Advances to Vendors	-	-	143.79	136.53
Balance with Excise and service tax	-	-	401.44	228.84
Provident Fund under protest	-	10.94	-	-
Excise Duty under protest	2.04	0.40	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	102.28	99.13	-	-
Advances to employees	-	-	1.77	5.10
	<u>312.64</u>	<u>318.79</u>	<u>547.00</u>	<u>370.46</u>
	<u>629.82</u>	<u>690.53</u>	<u>547.00</u>	<u>371.96</u>

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 14: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	21.56	9.33
Less:- Provision for Doutful Debt	<u>(21.56)</u>	<u>(9.33)</u>
'Net	-	-
Fixed Deposits with Banks	5.09	11.72
Sales Tax Refund Receivable	<u>22.26</u>	<u>64.01</u>
	<u>27.35</u>	<u>75.73</u>



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 15: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	721.77	759.00
(b) Packing materials	30.46	27.43
(c) Finished goods	509.17	587.28
(d) Work-in-progress	36.89	98.24
(e) Stores, spares and consumables	223.90	238.10
	<u>1,522.20</u>	<u>1,710.04</u>

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 16: TRADE RECEIVABLES (Unsecured and considered good)		
Overdue for more than six months	0.18	3.86
Others	4,870.20	5,166.68
	<u>4,870.38</u>	<u>5,170.54</u>
Note:- Amount due from private company in which any director is a director of that company		
(l) Choksey Chemical Pvt. Ltd	35.95	65.98

(₹ In Lacs)

	As at 31 st March 2015	As at 31 st March 2014
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	5.40	7.20
(b) Balances with Banks :		
(i) Balances with Bank Accounts	233.80	394.83
(ii) EEFC A/c	128.24	123.77
(c) Investment in Liquid Mutual Funds (See note 17 A below)	5.00	5.00
B. Other bank balances-earmarked		
(i) Unpaid dividend	44.81	34.59
(ii) Deposit with bank - Margin	25.58	46.76
	<u>442.83</u>	<u>612.15</u>

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

Note 17 A	(₹ In Lacs)	
Details of Investment in Liquid Mutual Funds	As at 31st March 2015	As at 31st March 2014
Unquoted		
Investments in Mutual Funds:		
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
	5.00	5.00

(₹ In Lacs)		
	As at 31st March 2015	As at 31st March 2014
NOTE 18: OTHER CURRENT ASSETS (Unsecured and Considered Good)		
Interest Receivable	5.86	0.56
Discount Receivable	95.96	5.72
Advances to Vendors - Raw Materials	10.82	71.89
Octroi Receivable	0.62	0.37
Excise Duty Refund (Exports)	246.34	240.83
Export Incentive Receivable	58.88	42.53
Other Receivables	19.00	8.02
	437.48	369.91

(₹ In Lacs)		
	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	32,215.00	29,576.69
(b) Exports	6,899.46	3,458.75
Turnover	39,114.46	33,035.43
Less: Excise duty	3,777.60	3,497.62
Sale of products	35,336.86	29,537.81
(B) Other operating revenues:		
(a) Scrap sales	7.61	15.96
(b) Export Incentives	152.20	101.10
(c) Insurance Claim	3.31	28.36
(d) Other Income	8.13	20.05
	171.23	165.47
	35,508.10	29,703.28

Note:-

Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods manufactured by the company.



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
NOTE 20: OTHER INCOME		
(a) Interest Income	17.22	21.32
(b) Dividend Received		
From Non Current Investments	24.27	30.02
(c) (Loss)/Surplus on sale of Non- Current Investments	444.17	107.11
(d) Income from rent	37.66	22.52
(e) Other Income	3.43	17.32
(f) Foreign Exchange Fluctuation Difference (Refer Note 20 A below)	30.78	45.12
	<u>557.53</u>	<u>243.41</u>

Note 20 A exchange difference on reinstatement of foreign currency transactions has been accounted under respective head.

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	759.00	549.11
Add : Purchases	23,751.36	22,449.37
	<u>24,510.36</u>	<u>22,998.48</u>
Less: Sale of Raw Materials	-	29.77
	<u>24,510.36</u>	<u>22,968.71</u>
Less: Closing Stock	(721.77)	(759.00)
	<u>23,788.59</u>	<u>22,209.71</u>
Packing Materials Consumed		
Opening Stock	27.43	17.36
Add : Purchases	1,095.38	791.21
	<u>1,122.81</u>	<u>808.57</u>
Less : Closing Stock	(30.46)	(27.43)
	<u>1,092.35</u>	<u>781.14</u>
Loss of Material	-	28.36
	<u>24,880.94</u>	<u>23,019.21</u>

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Stock at the beginning of the year		
Finished Goods	587.28	297.30
Work-in-Progress	98.24	32.67
Total (A)	685.52	329.97
Stock at the end of the year		
Finished Goods	509.17	587.28
Work-in-Progress	36.89	98.24
Total (B)	546.06	685.52
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE (B-A)	139.45	(355.54)

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries ,wages and allowances	1,070.82	919.40
Wages and allowances to Contract Labour	126.70	68.34
Contribution to Provident and other Funds	88.73	73.05
Staff welfare expenses	124.00	98.03
	1,410.26	1,158.82

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Note 23 : OTHER EXPENSES		
Stores and spares consumed	153.89	133.34
Power and fuel (Net of Income from Windmill operations of ₹ 68.86 Lacs (Previous Year ₹ 72.41 Lacs))	642.94	607.72
Repairs and Maintenance		
Buildings	567.86	50.59
Machinery	63.89	156.71
Other assets	177.10	52.93
Rent	38.35	5.43
Rates and taxes	138.08	78.42
Insurance	33.95	34.88
Sales Discount & Rebates	354.30	404.80
Freight and transport charges	1,100.75	865.49
Advertisement	16.11	28.28
Printing, Stationary, & Communication charges	51.58	52.99



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

Travelling Expenses		
Directors	81.35	64.82
Others	127.78	133.58
Commission on sales	171.23	142.00
Loss on sale of Fixed Assets	0.96	3.44
Fixed Assets Written off	29.78	14.98
Bad Debts Written off	9.33	0.77
Provision for Bad & Doubtful Debts	12.23	9.33
Donation	26.91	2.60
Bank Charges	76.27	56.92
Miscellaneous expenses	554.11	433.33
Commission to Non Executive Directors	31.53	16.00
Directors meeting fees	9.00	4.70
Auditors Remuneration (Ref. Note No. 28)	7.95	7.17
Professional Fees	491.43	74.29
Excess Provision written back	(43.67)	(70.34)
Prior year Expenses (Net) (Refer Note No 29)	5.15	2.61
	4,930.16	3,367.77

Note:

23a. Miscellaneous expenses include Excise duty of ₹ 30.18 lacs (Previous year ₹ 24.48 lacs) being the difference of excise duty between the opening & closing stock of finished goods.

23b. The Company was required to spend an amount of ₹ 34.00 Lacs being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 30.63 Lacs only.

The Concerned Expenditure has been debited to the following Heads as below :

(₹ In Lacs)

Head where the concerned Expenditure is debited	(i) Construction / acquisition of any asset	(ii) On purposes other than (i) above	Total
Donations	-	26.16	26.16
Miscellaneous Expenses	-	4.47	4.47
Total Expenditure	-	30.63	30.63
Yet to be Spent	-	-	3.37
Total Eligible Amount	-	30.63	34.00

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	891.14	674.86
Depreciation on Intangible Assets (Refer Note 11 B)	6.26	1.87
Depreciation on Investment Property (Refer Note 12 A)	0.31	0.08
	897.71	676.81

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ In Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Note 25 : FINANCE COST		
Interest on Borrowings	315.14	406.74
Other Finance costs	9.12	7.75
	324.26	414.49

26. Estimated amount of contracts to be executed on capital account and not provided for ₹ 242.06 Lacs (Net of advances of ₹ 34.85 Lacs) [P.Y. ₹ 74.70 Lacs (Net of Advances of ₹ 96.86 Lacs)].

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] ₹ 536.15 Lacs (P.Y. ₹ 760.54 Lacs). (₹ In Lacs)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Income tax liability on account of disputed liability	528.22	393.67
Disputed demand from RCFPF for PF	-	36.45
Excise duty, Service Tax and Customs	159.93	183.44
Show Cause notices / Demands under MVAT disputed by the company	-	29.61
Open Letters of Credit	-	117.37
Bank Guarantee with Sales Tax Department	55.86	-

27.1 Income Tax liability of ₹ 208.33 Lacs (Previous Year ₹ 208.33 Lacs) is in respect of capital gains.

27.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of ₹ 142.09 Lacs each for a dispute regarding high sea sales. The Company has paid the demand of ₹ 142.09 Lacs in the year 2011-12 and has claimed the same as deduction in the year financial year 2011-12. Balance penalty amount of ₹ 142.09 Lacs has been disclosed as contingent.

28. Auditors Remuneration

(₹ In Lacs)

Particulars	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Statutory Audit	5.50	5.50
Tax Audit	1.50	1.50
Certification fees and other services	0.70	0.05
Reimbursement of Expenses	0.25	0.12
Total	7.95	7.17

*(Net of Service Tax)

29. Research & Development Expenditure

(₹ In Lacs)

Particulars	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Capital Expenditure	4.23	10.94
Revenue Expenditure	148.60	175.09
Total	152.83	186.03



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

30. Prior Period Items

(₹ In Lacs)

Particulars	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
<u>Prior Period Expenses:</u>		
Salary, Wages & Allowances	1.54	0.07
Freight and Transport Charges	5.21	0.19
Bank Charges	-	0.43
Other Finance Cost	-	3.79
Travelling Expenses – Others	-	0.15
Miscellaneous Expenses	2.92	2.60
Sub Total (A)	9.67	7.23
<u>Prior Period Income:</u>		
Dividend	-	4.07
Donation Written Back	-	0.15
Other Income	0.02	0.40
Miscellaneous Income	0.66	-
Purchase Raw Material	2.95	-
Purchase Packing Material	0.89	-
Sub Total (B)	4.52	4.62
Grand Total (A – B)	5.15	2.61

31. Value of Imports on CIF basis:

(₹ in Lacs)

	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Raw materials	4690.67	4919.90
Stores and spares	6.93	31.75
Capital Goods	-	-

32. Details of imported and indigenous raw materials, components and spare parts consumed during the financial year:

(₹ in Lacs)

Particulars	For the Year Ended 31 st March 2015	% To Total	For the Year Ended 31 st March 2014	% To Total
Raw Materials:				
Imported	5097.29	21.27	5148.64	23.16
Indigenous	18864.94	78.73	17061.07	76.82
	23962.23	100.00	22209.71	100.00
Stores and Spares:				
Imported	9.45	6.14	1.88	1.41
Indigenous	144.44	93.86	131.46	98.59
	153.89	100.00	133.34	100.00

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

33. Value of Raw Material Consumed

(₹ in Lacs)

Particulars	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Monomers	20674.62	19782.06
Others	3287.61	2427.65
Total	23962.23	22209.71

34. Capitalisation of Exchange Rate Difference on Foreign Currency Loan & Related Interest cost.

(₹ In Lacs)

Particulars	For the Year Ended 31 st March 2015	For the Year Ended 31 st March 2014
Exchange Rate Difference related to Foreign Currency Loan - ECB	180.16	400.79
Interest on Foreign Currency Loan (Net)	-	-
Total	180.16	400.79

35. Earning in foreign currency

(₹ In Lacs)

Particulars	For the year Ended 31 st March 2015	For the year Ended 31 st March 2014
Export of Goods on F.O.B. basis	6566.37	3389.09

36. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	For the year Ended 31 st March 2015	For the year Ended 31 st March 2014
a. Professional Fees (including reimbursement)	18.33	23.84
b. Interest	92.45	169.32
c. Foreign Travel	103.30	66.60
d. Sales Commission	43.04	42.11
e. Others	0.90	5.18

37. Details on Derivatives Instruments and Un-hedged foreign currency exposures:

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	3	-	1	-
USD	2998970	-	4001000	-
INR Equivalent (₹ in Lacs)	1877.23	-	2503.42	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Total Number of Contracts	1	1
Principal Notional Amount US \$	2669000	4001000
Maturity Period	Upto 2 Years	Upto 3 Years



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

(ii) The foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	USD	₹ in Lacs	USD	₹ in Lacs
Trade and Other Payables	217252	110.00	623617	374.79
Trade Receivables	954915	597.69	244206	134.53

38. Segment Information

The Company operates in a single primary business segment, i.e. leading producers of Synthetic Lattices and Synthetic Rubber. Therefore, the separate segment information on primary segment is not given in terms of the accounting standard 17, on 'segment reporting' issued by the Institute of Chartered Accountants of India. The information pertaining to the company's secondary segment i.e. geographical is given below:

Secondary Segment Information:

The Company's operations are managed from India. The principal geographical areas in which the Company operates are India, Middle East and Asian Countries.

Secondary segment information with respect to geographical location

(₹ in Lacs)

Particulars	Revenue for the year ended 31 st March, 2015	Trade Receivable as at 31 st March, 2015	Revenue for the year ended 31 st March, 2014	Trade Receivable as at 31 st March, 2014
India	32215.00	4280.89	29576.69	5036.00
Outside India	6899.46	597.69	3458.75	134.53

39. As per requirement of Accounting Standard for Related Party transactions (AS 18) issued by ICAI:

A. Names of Related Parties and nature of relationship

(Disclosure made to the extent of information available)

(i) Person(s) having controlling interest

- Mr. Atul C. Choksey – Chairman & Non-Executive Director

(ii) Enterprises over which the Company's Directors Exercise significant influence

- Abhiraj Trading & Investments Pvt. Limited
- Aeonian Investments Company Limited
- Amisha Buildcon Private Limited
- Apco Enterprises Limited
- Aquamarine Trading & Investments Pvt. Limited
- Aquamarine Investment Managers LLP
- Balasesh Leafin Limited
- Bhuvantray Investments & Trading Co. Pvt. Limited
- Choksey Structural Engineering Private Limited
- Choksey Chemical Pvt. Limited
- Cons Holdings Limited
- Cybele Paradise Pvt Ltd
- Dhumraketu Investments & Trading Company Pvt.Ltd.
- Forest Hills Trading & Investments Pvt. Limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

- o) Gauriputra Investments & Trading Co. Pvt. Limited
- p) Haridwar Trading & Investments Pvt. Limited
- q) HMP Mineral Pvt. Limited
- r) Joshimath Trading & Investments Pvt. Limited
- s) Laxmanjhula Trading & Investments Pvt. Limited
- t) Mazda Colours Limited
- u) Propycon Trading & Investments Private Limited
- v) Saldhar Investments & Trading Company Pvt. Limited
- w) Sammelan Investments & Trading Limited
- x) Shyamal Finvest (India) Limited
- y) Hindustan Mineral Products Co. Limited
- z) Titan Trading & Agencies Limited
- aa) Trivikram Investments & Trading Company Limited

(iii) Key Management Personnel and their relatives :

- a) Mr. Abhiraj A. Choksey - Managing Director - Key Management Personnel

B. Related Party Disclosure

(₹ in Lacs)				
Sr. No.	Nature of Transaction	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
Income				
a.	Sale of Goods			
	Choksey Chemicals Pvt. Ltd	-	118.65 <i>(146.41)</i>	-
Expenses				
a.	Rent and Other expenses (Reimbursement)			
	Apco Enterprises Limited	-	8.70 <i>(17.36)</i>	-
	Trivikram Investment & Trading Co. Ltd	-	3.42 <i>(6.45)</i>	-
b.	Remuneration			
	Mr. Abhiraj A. Choksey	-	-	85.16 <i>(67.30)</i>
c.	Reimbursement of Medical Expenses			
	Mr. Atul C. Choksey	1.78 <i>(1.47)</i>	-	-
d.	Commission to Non-Executive Directors			
	Mr. Atul C. Choksey	25.53 <i>(11.40)</i>	-	-

(Previous year's figures have shown in brackets and italics)



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

C. Closing Balances

(₹ in Lacs)

Sr. No.	Name of the related Party	Persons having controlling Interest	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance				
a.	Apco Enterprises Limited	-	3.42 (12.12)	-
b.	Trivikram Investment & Trading Co. Ltd	-	3.42 (-)	-
c.	Mr. Abhiraj A. Choksey – Salary Payable	-	-	4.50 (2.32)
d.	Mr. Atul C. Choksey – Commission Payable	25.53 (11.40)	-	-
Outstanding Receivable Balance				
a.	Choksey Chemicals Pvt Ltd	-	35.95 (65.98)	-

(Previous year's figures have shown in brackets and italics)

40. Disclosure as per Accounting Standard 15 (Revised)

i. Contribution to Defined Contribution Plans

Payment for Employers Contribution to Provident Fund, recognized as expenses is ₹ 26.38 Lacs.

ii. Contribution to Defined Benefit Plans

The following table sets out the status of the Gratuity Plan as required under AS 15 (Revised).

(₹ in Lacs)

	31 st March 2015	31 st March 2014
Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the year	171.03	149.59
Interest Cost	15.94	12.34
Current Service Cost	11.60	13.16
(Benefits Paid)	(19.98)	(3.82)
Actuarial (Gain)/Loss on obligations	13.72	(0.24)
Present Value of Benefit Obligation at the end of the year	192.31	171.03
Fair Value of Plan Assets		
Fair Value Of Plan Assets at the beginning of the year	152.65	106.92
Expected Return on Plan Assets	14.23	8.82
Contributions	15.55	40.44
(Benefits Paid)	(19.98)	(3.82)
Actuarial Gain/(Loss) on Plan Asset	2.01	0.28
Fair Value of Plan Asset at the end of the year	164.46	152.65
Recognition of Actuarial Gain / Losses		
Actuarial (Gain)/Loss for the year – Obligation	13.72	(0.24)
Actuarial (Gain)/Loss for the year – Plan Asset	(2.01)	(0.28)
Total (Gain)/Loss for the year	11.71	(0.52)
Actuarial (Gain)/Loss recognized in the year	11.71	(0.52)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

	(₹ in Lacs)	
	31 st March 2015	31 st March 2014
Expenses Recognized in the Statement of Profit & Loss A/c		
Current Service Cost	11.60	13.16
Interest Cost	15.94	12.34
(Expected Return on Plan assets)	(14.23)	(8.82)
Actuarial (Gain)/Loss	11.70	(0.52)
Expenses Recognized in the Statement of Profit & Loss	25.01	16.15
Amount to be recognized in the Balance Sheet		
Present Value of Obligation as at the end of the year	192.30	171.03
Fair value of plan asset as at the end of the year	164.45	152.65
Net Asset/(Liability) recognized in the Balance sheet	(27.85)	(18.38)
Actuarial Assumptions		
Discount Rate	8.00%	9.32%
Salary Escalation	8.50%	5.50%
Rate of Return on Plan Assets	8.00%	9.32%
Investment details		
Insurer Managed Fund	100.00%	100.00%
Total	100.00%	100.00%

41. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles. These Lease Agreements provide for cancellation by either party thereto as per the terms and condition of the agreement. The lease rental recognized in the profit and loss during year & the lease agreements obligations for the period is as per given table.

	(₹ in Lacs)	
Particulars	For the year ended 31 st March 2015	For the year ended 31 st March 2014
Lease payment recognized in P&L	6.93	3.54
Future Lease Commitments		
- Within one year	9.34	3.48
- Later than one year and not later than Five years	26.15	5.73

42. Earnings per Share:

	For the year ended 31 st March 2015	For the year ended 31 st March 2014
(i) Profit computation for both basic and diluted earnings per equity share of ₹ 5 each. Net profit as per Statement of profit and loss available for equity Shareholders (₹ in Lacs)	2468.06	1314.33
(ii) Number of Equity Shares*	10368992	10368992
(iii) Earning per equity share -Basic & Diluted (in Rupees)	23.80	12.68

*The equity shares of the company having face value of ₹ 10 each have been subdivided into 2 equity shares of ₹ 5 each effective 17th August 2013, Pursuant to the approval of the shareholders on 28th of June 2013. In accordance with AS 20 – Earnings Per Share, the earnings per share for the year ended 31st March 2014 have been presented based on the revised



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

number of shares.

43. Micro & Small enterprises as defined under the Macro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to ₹ 156.07 Lacs (Previous Year: ₹ 4.22 Lacs). The disclosure pursuant to MSMED Act based on the books of account are as under :

(₹ in Lacs)

	For the year ended 31 st March 2015	For the year ended 31 st March 2014
Dues remaining unpaid		
Principal	156.07	4.22
Interest	0.69	-
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

44. Previous year's figures have been have been regrouped / restated wherever necessary to conform to-current year's presentation.

As per our Report of even date
For **KALYANIWALLA & MISTRY.**
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W

ERMIN K. IRANI
PARTNER
Membership Number: 35646
Mumbai, Date : 8th May 2015

For and on behalf of Board of Directors
ATUL C. CHOKSEY Director
ABHIRAJ A. CHOKSEY Managing Director
MANUBHAI G. PATEL Chairman-Audit Committee

ANAND V. KUMASHI Company Secretary
ROHIT R. MAHAKAL Chief Financial Officer

Mumbai, Date : 8th May 2015

**Certified True Copy
of apcotex Industries Limited**

Authorised Signatory



PERFORMANCE SUMMARY

(₹ in Lacs)

		Growth in comparison to previous year	2014-15	2013-14	2012-13	2011-12	2010-11
	Revenues						
1	Gross Sales	18.40%	39114.46	33035.43	30262.47	27789.76	22165.76
2	Net Sales	19.63%	35336.86	29537.81	27212.63	25384.72	20191.96
3	Other Income	78.24%	728.77	408.87	48.06	262.46	290.75
	Cost						
4	Material Consumed	10.40%	25020.39	22663.67	20628.13	19327.65	15069.78
5	Employee's Remuneration and Benefits	21.70%	1410.26	1158.82	1078.11	1008.51	777.48
6	Other Expenses (Incl Finance Cost)	38.88%	5249.27	3779.64	3437.04	3297.44	2795.80
7	Gross Profit	87.06%	4385.72	2344.55	2117.41	2013.58	1839.65
8	Depreciation		897.71	676.81	311.30	278.64	264.76
9	Earlier year adjustments (Income)		5.15	2.61	1.96	103.72	68.06
10	Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)	70.69%	4704.83	2756.43	2350.26	2275.91	2026.01
11	Profit before tax	109.17%	3482.85	1665.12	1804.16	1631.20	1506.83
12	Profit after tax	87.78%	2468.06	1314.32	1280.53	1146.38	1072.36
13	Earning Per Shares		23.80	12.68	24.70	22.11	20.68
	Capital Accounts						
14	Share Capital		522.35	522.35	522.35	522.35	522.35
15	Reserves and Surplus		9452.95	8005.18	7297.44	6455.32	5897.08
16	Gross Block		12170.30	12028.04	11371.51	7739.67	7216.86
17	Total Investments		3076.15	2449.94	3302.89	3553.12	2550.04

Note : (Includes Investments in Liquid Mutual Funds which is part of cash and cash equivalents.)



apcotex industries limited

Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra



apcotex industries limited

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APCOTEX INDUSTRIES LIMITED

BOARD OF DIRECTORS

Atul C. Choksey	Chairman
Girish C. Choksey	Director
Amit C. Choksey	Director
Manubhai G. Patel	Director
Dr. S. Sivaram	Director
Shailesh S. Vaidya	Director
Kamlesh Vikamsey	Director
Priyamvada Bhumkar	Director
Abhiraj A. Choksey	Managing Director
Y B Gadgil (w.e.f. 06/02/2016)	Executive Director

AUDIT COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member
Kamlesh Vikamsey	Member
Priyamvada Bhumkar	Member

NOMINATION & REMUNERATION COMMITTEE

Manubhai G. Patel	Chairman
Dr. S. Sivaram	Member
Atul C. Choksey	Member
Kamlesh Vikamsey	Member

COMPANY SECRETARY

Anand V. Kumashi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member

AUDITORS

Kalyaniwalla & Mistry
Chartered Accountants.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Atul C. Choksey	Chairman
Shailesh Vaidya	Member
Abhiraj A. Choksey	Member

BANKERS

State Bank of India
Standard Chartered Bank

REGISTERED OFFICE & FACTORY

Plot No.3/1, MID C Industrial Area, P.O. Taloja,
Dist. Raigad 410 208, Maharashtra.
CIN: L99999MH1986PLC039199
Telephone: (022) 2740 3500
Fax: (022) 2741 2052
E-mail – redressal@apcotex.com
Website: www.apcotex.com

CORPORATE OFFICE

N. K. Mehta International House,
178, Backbay Reclamation,
Babubhai M. Chinai Marg,
Mumbai- 400 020
Telephone: (022) 2283 8302 / 04
Fax: (022) 2283 8291

REGISTRARS AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup(w),
Mumbai- 400 078
Tel. No.- 2596 3838, 2594 6970 Fax – 2594 6969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

**Certified True Copy
of apcotex Industries Limited**

Authorised Signatory





NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of **apcotex industries limited** will be held at the Registered Office of the Company at **Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra** on **Wednesday, the 10th day of August 2016 at 4.00 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Statement of Accounts for the year ended 31st March 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Atul Champaklal Choksey (DIN 00002102), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No.104607W) having their office at Kalpataru Heritage, 5th Floor, 127 M.G. Road, Mumbai 400 023, who were appointed as the Statutory Auditors of the Company to hold the office from the conclusion of 2014 Annual General Meeting till the conclusion of the 2018 Annual General Meeting of the Company, be and is hereby ratified, to hold the office till the conclusion of the next annual general meeting, on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

5. To consider appointment of Mr. Abhiraj A. Choksey (DIN 00002120) as a Managing Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to approval of Central Government, if any, required, the Company hereby approves appointment of Mr. Abhiraj A. Choksey, as Managing Director of the Company, for a further period of three (3) years, effective from 1st May 2016, upon the terms and conditions set-out in the draft agreement submitted to this meeting and for identification signed by Chairman thereto, which agreement is hereby specifically approved with authority to the Board of Directors including committees thereof, to alter and/or vary such terms and conditions of the said appointment, within the limits, if any, prescribed in the Act and/or Schedules thereto”.

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Abhiraj A. Choksey, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as may be decided by the Board of

Directors, after obtaining suitable recommendation of its Remuneration Committee.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Mr. Abhiraj A. Choksey, which revision shall be in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.”

6. To consider appointment of Mr. Y B Gadgil (DIN 07353169) as a Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Y B Gadgil (DIN 07353169), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 6th February 2016 under Section 161(1) of the Companies Act (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Y B Gadgil for the office of Director be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

7. To consider appointment of Mr. Y B Gadgil (DIN 07353169) as an Executive Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Y B Gadgil be and is hereby appointed as an Executive Director of the Company, for a period of three (3) years, effective from 6th February 2016, on the same terms and conditions of the existing employment with the Company, with liberty to the Board of Directors/Committee of Board thereof, to alter and vary such terms and conditions of the said appointment, including remuneration within, the maximum limits prescribed under provisions of the Companies Act, 2013”.

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Y B Gadgil, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, after obtaining suitable recommendation of its Remuneration Committee.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Mr. Y B Gadgil, which revision shall be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there under and/or such guidelines

as may be announced by the Central Government from time to time.”

8. To consider increase in Authorised Share Capital of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

“**RESOLVED THAT** upon the Scheme of Amalgamation of Apcotex Solutions India Private Limited (ASIPL) with the Company becoming effective, the Authorised share capital of the Company shall stand increased without any further act, instrument or deed on the part of the Company including payment of the stamp duty and fees payable to the Ministry of Corporate Affairs/Registrar of Companies, and pursuant to the provisions of Section 61, Section 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company stand increased to:

6,22,60,000	Equity Shares of Rs.5/- (Rupees Five) each	31,13,00,000
500	Preference shares of Rs.100/- (Rupees One Hundred) each	50,000
50,000	Unclassified Shares of Rs.5/- (Rupees Five) each	2,50,000
Total		31,16,00,000

from:

2,99,40,000	Equity Shares of Rs.5/- (Rupees Five) each	14,97,00,000
500	Preference shares of Rs.100/- (Rupees One Hundred) each	50,000
50,000	Unclassified Shares of Rs.5/- (Rupees Five) each	2,50,000
Total		15,00,00,000

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Memorandum of Association and Articles of Association.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

- 9 To consider Alteration of Memorandum of Association of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**.

RESOLVED THAT Clause V of the Memorandum of Association of the Company be altered and after the alteration, the same be read as under:

- V. “The Authorised Share Capital of the Company is Rs 31,16,00,000 (Rupees Thirty One Crore and Sixteen Lakhs) divided into 6,22,60,000 (Six Crore

Twenty Two Lacs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five) each, 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each.”

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Memorandum of Association.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

- 10 To consider Alteration of Articles of Association of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**.

RESOLVED THAT Clause 2(a) of the Articles of Association of the Company be substituted by the following clause:

“The Authorised Share Capital of the Company is Rs 31,16,00,000 (Rupees Thirty One Crore and Sixteen Lacs) divided into 6,22,60,000 (Six Crore Twenty Two Lacs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each.”

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Articles of Association

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

BY ORDER OF THE BOARD
For apcotex industries limited

ANAND V. KUMASHI
Company Secretary

Date: 16th May 2016

Registered Office:
Plot no. 3/1,
MIDC Industrial Area,
Taloja - 410 208,
Dist. Raigad, Maharashtra



apcotex industries limited

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A statement giving the relevant detail of the Directors seeking appointment / re-appointment under item no.3 and 6 of the accompanying Notice, as required under Regulation 36(3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself and a proxy need not be a member of the company.
The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the meeting.
4. A person can act as a proxy on behalf of the members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / folio no.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote at the Meeting.
8. Relevant documents referred in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during the business hours upto the date of the Meeting.
9. The Register of Shareholders and Share Transfer Books of the Company will remain closed from **Monday, the 1st day of August 2016 to Tuesday, the 9th day of August 2016**, (inclusive of both days).
10. Dividend recommended by Board of Directors, if approved by the shareholders at the Annual General Meeting, will be paid / dispatched on or after **11th August 2016** to those shareholders whose names appear on the Register of Shareholders as on **1st August 2016**. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of **1st August 2016**, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.
11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
12. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) the Company has transferred the unclaimed dividends upto the financial year 2007-08 from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of Information regarding unpaid/unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st July 2015 (date of last Annual General Meeting) on the website of the Company viz. www.apcotex.com, as also on the website of the Ministry of Corporate Affairs viz. www.mca.gov.in.
13. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialised form are advised to make a nomination through their Depository Participants. The nomination form can be obtained from Company's Registrars and Share Transfer agent viz. **LINK INTIME INDIA PVT LTD.**
14. Shareholders are requested to notify the changes, if any, in their addresses to the Company's Registrars immediately.
15. The company is using National Electronic Clearing Services (NECS) for dividend remittance. Shareholders holding shares in physical form are requested to notify/send to the Company's Registrar and Share Transfer Agent at: LINK INTIME INDIA PVT LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup-(w), Mumbai-400 078, immediately, details of any change in their address/mandate/bank details; and particulars of their bank account, in case the same have not been sent earlier.
16. Shareholders holding shares in the electronic form are requested to inform any change in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.

E-VOTING:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **7th August 2016 (9:00 am)** and ends on **9th August 2016 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - [Login](#)
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Apcotex Industries Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mkhurgat@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	
USER ID	PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd August 2016 .
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August 2016 , obtain the login ID and password by sending a request at evoting@nsdl.co.in or from Company's Registrar and Share Transfer agent viz. LINK INTIME INDIA PVT LTD .



apcotex industries limited

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Mahesh Hurgat, Practicing Company Secretary (Membership No. 7139 & C.P. No. 2498) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.apcotex.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.

ANNEXURE TO NOTICE EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

Item No. 5

The Board of Directors of the Company at their meeting held on 16th May 2016, have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in General Meeting and that of the Central Government, if required, under the provisions of the Companies Act, 2013, decided to re-appoint Mr. Abhiraj A. Choksey, as "Managing Director" of the Company, for a further period of 3 (Three) Years, effective from 1st May 2016.

Mr. Abhiraj A. Choksey is a Bachelor of Science in Economics from Wharton Business School and also Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A. He has several years of experience in the field of finance, system engineering, strategy formulation, administration etc, and also as a Management Consultant, having worked in a consulting firm in USA and in a software company in our Country.

Mr. Abhiraj A. Choksey is a relative of Company's Chairman, Mr. Atul Choksey and by virtue of this appointment; he will continue to hold an office or place of profit in the Company in accordance with the provisions of Section 188 and other applicable provisions of the Companies Act, 2013.

The appointment and remuneration of the Managing Directors are approved by the Nomination and Remuneration Committee, comprising of Mr. M G Patel, Dr. S. Sivaram, Mr. Kamlesh Vikamsey, independent directors of the Company and Mr. Atul Choksey - Chairman, in their meeting held on 16th May 2016.

The terms and conditions of the remuneration as set out in the draft agreement to be entered into by the Company with the said Mr. Abhiraj A. Choksey are as under:

Salary: Rs.2,25,000/- (Rupees Two lacs twenty five thousand Only) per month, with an increment to be determined by the Board of Directors, including Committee thereof, effective from the 1st day of April each year.

Allowances: House Rent Allowance and Bonus as per the rules in force in the Company from time to time.

Managerial Allowance: Rs.3,49,050/- (Rupees Three lacs forty nine thousand and fifty Only) per month, with rise to be determined by the Board of Directors, including committee thereof, effective from 1st day of April each year.

Variable Pay Plan as per the rules in force in the Company, from time to time.

Perquisites: Perquisites are classified into three categories "A", "B" and "C" as follows;

Part "A" Housing

(1) Free furnished residential accommodation or (2) in case of his own flat on ownership basis, then House Rent Allowance of an amount as may be fixed by the Board of Directors, or (3) in case of occupation of the rented premises then reimbursement of actual rent paid in respect of such premises. In case of all the above amenities such as gas, electricity, water, servants,

painting, repairs, upkeep and general maintenances of the premises as are desired by the Director to be provided at the Company's expenses. In case of (2) & (3) such furniture or benefits in respect of furniture as may be required by Director, to be provided at the Company's expense.

The expenditure incurred if any, by the Company on gas, electricity, water and furnishings, furniture etc; to be made available to the Managing Director shall be valued as per the Income Tax Rules, as are in force from time to time.

Medical Expenses Reimbursement / Medical Insurance:

Payment of Medical Insurance premium and reimbursement of expenses actually incurred for self, wife, dependent, children including hospitalization expenses, nursing home charges, treatment expenses, surgical expenses etc.

Leave Travel Concession:

Leave Travel Concession for the Managing Director and his family, once in a year incurred in accordance with the Rules of the Company, in force from time to time.

Personal Accident Insurance:

Personal Accident insurance, the annual premium of which will not exceed Rs. 20,000/- or coverage under the Group Personal Accident Insurance Policy taken / as may be taken by the Company every year during the tenure of this appointment.

Club Fees:

Fees of clubs subject to a maximum of two clubs.

Part "B"

Provident Fund:

Company's contribution towards Provident Fund, subject to a ceiling of 12% of the salary.

Gratuity, Pension and Superannuation:

Benefits in accordance with the rules and regulations in force in the Company from time to time.

Part "C"

Car:

Provision of a car and driver for both official and personal use of the Managing Director. in accordance with company policy

Telephone:

Provision of telephone at residence of the Managing Director. Personal long distance calls on telephone shall be billed by the Company to the Managing Director. in accordance with company policy

Other Benefits:

1. Leave: Leave with full pay and allowance in accordance with the rules and regulations of the Company in force from time to time. Leave encashment in accordance with the rules and regulations of the Company in force from time to time, to be permitted at the end of the term, after obtaining such approvals as may be necessary.
2. Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
3. Such other benefits and amenities as are provided to Senior Officers of the Company from time to time.

The remuneration as aforesaid of the Managing Director shall be subject to such limits of remuneration as are laid down by the Central Government in the Companies Act, 2013, its Schedule V and/or amendments made/as may be made therein from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the Managing Director remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V of the companies Act, 2013 as may be decided by the Board of Directors of the Company, after obtaining suitable recommendation from the Remuneration Committee of the Board of Directors of the Company.

The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors on the recommendation of the Remuneration Committee, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there-under and/or such guidelines as may be announced by the Central Government from time to time.

The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purposes of or on behalf of the Company.

The draft of the agreement to be entered into by the Company with Mr. Abhiraj A. Choksey is available for inspection by the shareholders of the Company at the Registered Office at Plot no. 3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra, India, between 11 A.M. and 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

Your Directors commend his appointment for a further period of 3 (three) years.

Item No. 6

The Board of Directors in their meeting held on 6th February 2016 have appointed Mr. Y B Gadgil as an Additional Director of the Company pursuant to provisions of Section 161(1) of the Act and Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Mr. Y B Gadgil would hold the office upto the conclusion of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along-with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Y B Gadgil for the office of the Director of the Company.

Mr. Y B Gadgil is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Y B Gadgil possess appropriate skills, experience and knowledge, inter alia in the field of Plant maintenances, Production, Projects and Marketing etc.

Brief resume of Mr. Y B Gadgil, nature of his expertise in specific function areas and names of companies in which he



apcotex industries limited

holds directorship and memberships / chairmanships of the Board Committees, shareholding and relationships between directors as stipulated under Regulation 36(3) of SEBI (LODR) Regulations 2015, are provided in the Corporate Governance Report forming part of the Annual Report.

Considering the vast experience and knowledge, it will be in the interest of the Company that Mr. Y B Gadgil is appointed as a Director. Copy of the draft letter for appointment of Mr. Y B Gadgil as an Executive Director setting out the terms and conditions is available for inspection by members at the Registered office of the Company.

Save and except Mr. Y B Gadgil and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

The Board of Directors of the Company at their meeting held on 6th February 2016, have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in General Meeting and that of the Central Government, if required, under the applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), decided to appoint Mr. Y B Gadgil, as an "Executive Director" of the Company, for a period of 3 (Three) Years, effective from 6th February 2016.

Mr. Y B Gadgil is a Bachelor of Chemical Engineering from Laxminarayan Institute of Technology, Nagpur, passed out in 1980 and worked at Union Carbide, Chembur, Mumbai Plant and with Asian Paints and then joined the company during 1981. During his service he had handled Sales & Marketing function, Production, Projects, Responsible for all latex segments, worked closely with Technical Function for product development and approval of XSB products with new Technology and significant increase in market share of Paper and Carpet products. He had extensively worked on Capacity Expansion, Cost optimization, Quality improvement, Energy optimization, Productivity improvement ideas and their implementation.

Mr. Y B Gadgil is not related to any of the Board Members, KMPs of the Company. The appointment and remuneration of the Executive Director is approved by the Nomination and Remuneration Committee, comprising of Mr. M G Patel, Dr. S. Sivaram, Mr. Kamlesh Vikamsey, Independent directors of the Company and Mr. Atul Choksey - Chairman, in their meeting held on 6th February 2016.

The terms and conditions of the employment and remuneration of Mr. Y B Gadgil, are as under:

Salary: Rs.85,706/- (Rupees Eighty five thousand seven hundred six Only) per month, with an increment to be determined by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee effective from the 1st day of April each year.

Allowances: House Rent Allowance and Bonus as per the rules in force in the Company from time to time.

Managerial Allowance: Rs.1,29,331 (Rupees One lacs twenty nine thousand three hundred thirty one Only) per month, with rise to be determined by the Board of Directors, including committee thereof, effective from 1st day of April each year.

Variable Pay Plan as per the rules in force in the Company, from time to time.

Perquisites: Perquisites are classified into three categories "A", "B" and "C" as follows:

Part "A"

Housing

(1) Free furnished residential accommodation or (2) in case of his own flat on ownership basis, then House Rent Allowance of an amount as may be fixed by the Board of Directors, or (3) in case of occupation of the rented premises then reimbursement of actual rent paid in respect of such premises. In case of all the above amenities such as gas, electricity, water, servants, painting, repairs, upkeep and general maintenances of the premises as are desired by the Director to be provided at the Company's expenses. In case of (2) & (3) such furniture or benefits in respect of furniture as may be required by Director, to be provided at the Company's expense.

The expenditure incurred if any, by the Company on gas, electricity, water and furnishings, furniture etc; to be made available to the Executive Director shall be valued as per the Income Tax Rules, as are in force from time to time.

Medical Expenses Reimbursement / Medical Insurance:

Payment of Medical Insurance premium and reimbursement of expenses as per rules of the Company applicable to all senior management personnel.

Leave Travel Concession:

Leave Travel Concession for the Executive Director and his family, once in a year incurred in accordance with the Rules of the Company, in force from time to time.

Personal Accident Insurance:

Personal Accident insurance, the annual premium of which will not exceed Rs.20,000/- or coverage under the Group Personal Accident Insurance Policy taken / as may be taken by the Company every year during the tenure of this appointment.

Club Fees:

Fees of clubs subject to a maximum of two clubs.

Part "B"

Provident Fund:

Company's contribution towards Provident Fund, subject to a ceiling of 12% of the salary.

Gratuity, Pension and Superannuation:

Benefits in accordance with the rules and regulations in force in the Company from time to time.

Part “C”

Car:

Provision of a car and driver for both official and personal use of the Executive Director. in accordance with company policy

Telephone:

Provision of telephone at residence of the Executive Director. Personal long distance calls on telephone shall be billed by the Company to the Executive Director. in accordance with company policy

Other Benefits:

1. Leave: Leave with full pay and allowance in accordance with the rules and regulations in the Company in force from time to time. Leave encashment in accordance with the rules and regulations in the Company in force from time to time, to be permitted at the end of the term, after obtaining such approvals as may be necessary.
2. Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
3. Such other benefits and amenities as are provided to Senior Officers of the Company from time to time.

The remuneration as aforesaid of the Executive Director shall be subject to such limits of remuneration as are laid down by the Central Government in the Companies Act, 2013, its Schedule V and/or amendments made/as may be made therein from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay the Executive Director remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors of the Company, after obtaining suitable recommendation from the Nomination and Remuneration Committee of the Board of Directors of the Company.

The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors on the recommendation of the Remuneration Committee, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there-under and/or such guidelines as may be announced by the Central Government from time to time.

The Company shall pay to or reimburse the Executive Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purposes of or on behalf of the Company.

Your Directors recommend his appointment for a period of 3 (three) years.

Item No. 8, 9 & 10.

Presently the Authorized Share Capital of the Company is Rs15,00,00,000/- (Rupees Fifteen Crores Only) divided into 29,940,000 (Two Crore Ninety-Nine Lakhs and Forty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each

and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs.5/- (Rupees Five) each.

The Board of Directors in their board meeting held on 22nd April 2016 have approved the Scheme of Amalgamation of. Apcotex Solutions India Private Limited, (earlier known as OMNOVA Solutions India Private Limited), wholly owned subsidiary of the Company with the Company (“Scheme”). The Scheme is subject to requisite sanctions and approvals of Stock Exchanges and the Hon’ble High Court of Judicature at Bombay.

Clause 14 of the Scheme provides that the entire authorized share capital of Apcotex Solutions India Private Limited shall stand transferred to and combine with the authorised share capital of the Company and shall be re-classified without any further act or deed including payment of stamp duty and fees payable to Ministry of Corporate Affairs/Registrar of Companies on the authorized share capital so increased. The said combination of authorized share capital shall become operative on the Scheme becoming effective and subject to requisite resolutions being passed at the annual general meeting of the Company.

As a result of change in the authorized share capital of the Company, the capital clause in the Memorandum of Association and Articles of Association of the Company will also be amended. The alteration proposed in the Memorandum of Association and Articles of Association are only consequential to reflect the proposed change in the Authorized Share Capital of the Company.

The Company shall file the requisite documents/information with the Ministry of Corporate Affairs / Registrar of Companies for increase in authorised share capital of the company along with amended copy of its Memorandum of Association and Articles of Association once the Scheme is made effective.

In view of this your directors recommend the aforesaid resolutions for combination of authorised share capital and for alteration in the Memorandum of Association and Articles of Association of the Company

None of the Directors is interested or concerned in this resolution except as Members of the Company.

BY ORDER OF THE BOARD
For apcotex industries limited

ANAND V. KUMASHI
Company Secretary

Date: 16th May 2016

Registered Office:

Plot no. 3/1,
MIDC Industrial Area,
Taloja - 410 208,
Dist. Raigad, Maharashtra



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Thirtieth Annual Report of the Company and the Audited Statements of Accounts for the year ended 31st March 2016.

A. COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

Particulars	2015-16 (Rs. In Lacs)	2014-15 (Rs. In Lacs)	Growth %
GROSS SALES	29772.38	39114.46	(23.88)
Gross Profit Before Depreciation, Finance cost and Tax but after prior years' adjustments	4479.20	4704.83	(4.88)
Less: a) Depreciation	894.44	897.71	
b) Finance Cost	242.01	324.26	
Profit Before Tax	3342.75	3482.85	(4.02)
Less : a) Provision for Tax	966.13	1018.50	
b) Adjustment for Deferred Tax Liability	(90.48)	(3.71)	
Profit After Tax	2467.10	2468.06	(0.04)
Add: Balance brought forward from the Previous Year	3930.83	3136.36	
Disposable Profit	6397.93	5604.42	14.16
Recommended Appropriations:			
a) Dividend	933.21	725.83	28.57
b) Tax on Dividend	189.98	147.77	28.57
c) Transfer to General Reserve	800.00	800.00	
Balance carried forward to Balance Sheet	4474.73	3930.83	
	6397.93	5604.42	

DIVIDEND

Your Directors have recommended a dividend @ **Rs. 4.50** (Rupees Four and fifty paise) (Previous year Rs.7/- (Rupees Seven)) per Equity Share of Rs.5/- each, on expanded share capital on issue of Bonus shares in the ratio of 1:1, for the financial year 2015-16. Dividend, if approved, will absorb a sum of Rs. 1123.19 lacs (including Dividend Distribution Tax of Rs.189.98 lacs) out of the net profits after tax, as above and will be paid to those shareholders whose names appear on the Register of Members on **Monday, 1st August 2016**.

BONUS SHARES

The Company has allotted 1,03,68,992 fully paid-up equity shares of face value of Rs.5/- each in September 2015 to the shareholders of the Company in the proportion of 1:1 as Bonus shares and consequently the number of shares increased from 1,03,68,992 shares to 2,07,37,984 shares.

TRANSFER TO RESERVE

The appropriations for the year are:

Rupees in lacs

Particulars	Year ended 31 st March 2016
Net Profit after tax for the year	2467.10
Balance of Reserve at the beginning of the year	2403.72
Transfer to General Reserve	800.00
Balance of Reserve at the end of the year	3203.72

B. MANAGEMENT DISCUSSION AND ANALYSIS

The company manufactures and markets a range of Emulsion Polymers - Synthetic Latexes and Synthetic Rubber.

I. CURRENT SCENARIO.

Your Company is one of the leading producers of polymer products namely, Synthetic Latexes (Vinyl Pyridine Latex, Carboxylated Styrene Butadiene Latex, Styrene Acrylic Latex, Nitrile Latex, etc.) and also Synthetic Rubber (High Styrene Rubber) in India. The Company has one of the broadest ranges of products in the industrial segments and caters to a wide range of industries. Company's Synthetic Latexes products are used, among other applications, for tyre cord dipping, paper and paperboard coating, carpet backing, concrete modification/water proofing, non-wovens, textile finishing, paints, etc. Various grades of Synthetic Rubber find application in products such as footwear, automotive components, moulded items, v-belts, conveyor belts, hoses, etc.

The Company's major raw materials are petrochemical products and its business could be vulnerable to high volatility in the prices of crude oil and its downstream products.

Over the years, a number of steps have been taken by the management to improve the operational efficiency of the Company in different functions like marketing, human resource development, production process, utilities etc.

Your company is recipient of Total Productive Maintenance (TPM) Excellence in Consistent TPM Commitment Award- Category A by the Japan Institute of Plant Maintenance (JIPM). TPM has helped the company significantly in improving efficiencies in plant and in operations and rationalizing costs. Your Company has successfully

completed re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001. Your company has also successfully completed recertification by Indian Chemical Council (ICC) to use the "Responsible Care" logo.

II. OPERATIONS DURING THE FINANCIAL YEAR 2015-16.

During the year, the Company achieved Gross Value Sales of Rs.29772.38 lacs, registering a negative growth of 23.88 %, compared to that of the preceding year. The company exported its products worth Rs.3627 lacs. The major reason for reduction in Revenue is due to of adjustment of lower prices of oil and oil derivatives. Volumes were also affected due to lower petrochemical prices in Europe leading to lower exports and higher imports into India from Europe.

There was a continuous thrust from the management to develop a strong research and development and technical service team to develop new products for export markets, explore new applications and understand better the changing customer needs.

Profit before tax registered a negative growth of 4% to Rs.3342.75 lacs as compared to Rs 3482.85 lacs during the previous year due to lower volume sales. In spite of the challenging year, EBITDA decreased by only 4.9% from Rs 4704.83 lacs in the previous year to Rs 4479.20 lacs during the financial year 2015-16.

Profit after tax stood at Rs.2467.10 lacs as compared to Rs.2468.06 lacs in the previous year.

The Balance Sheet of the Company is also quite healthy with Debt/Equity ratio of 0.2, reasonable Working Capital cycle and Cash/Liquid Investments valued at Rs.27 crore based on NAV as on 31st March 2016.

Your Directors consider Company's performance as satisfactory.

III. ACQUISITION & MERGER

The Company has acquired 100% Shareholding (1,60,99,272) of Omnova Solutions India Private Limited on 5th February 2016 from Omnova Solutions India France Holding SAS and Omnova Solutions SAS France.

The name of wholly owned subsidiary company has been changed to Apcotex Solutions India Private Limited on 5th March 2016. The subsidiary is a Manufacturer of Nitrile Butadienes Rubber (NBR), Nitrile-PVC Polyblend, Nitrile Powder, Specialty Latexes & High Styrene Rubber (HSR).

The Board of Directors of your Company on 22nd April 2016 has approved the Scheme of Amalgamation of Apcotex Solutions India Private Limited with the Company from 31st March 2016. Your Company has already made an application to Stock exchanges for their consent, before filing petition before Honorable High Court (Bombay).

Consolidated financial statements of the Company, which are prepared in accordance with the provisions of Section 129(3) of the Companies Act, 2013, forms part of this Annual Report. Further a statement containing the salient features of the financial statement of subsidiary company in the prescribed format AOC – 1 is appended as **Annexure VIII** to the Board's report. The statement also provides the details of performance and financial position of subsidiary company.

IV. OUTLOOK.

In light of the acquisition and subsequent merger, the Company expects FY 2016-17 to be an exciting year in spite of a few challenges. Besides integration of the Subsidiary, the Company will also explore introducing new products and focusing on exports as short term future growth drivers for the Company. In the medium to long term the Company is exploring adding new capacities for current products, new adjacent businesses as well as opportunities for inorganic growth.

With the Company's continuous endeavour to enhance efficiencies at all levels and functions, your Directors view the prospects for the financial year 2016-17 with cautious optimism.

V. RISKS AND CONCERNS.

The Company has laid down a well-defined Risk Management Framework covering the risk, risk exposure, potential impact and risk mitigation process. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company has formed Internal Risk Management Committee, which periodically reviews all the risks in the organisation and identifies risk areas, monitors and reports the compliance and effectiveness of the policy and procedure to the Audit Committee and Board.

The Audit Committee and Board review the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

The Company's Board of Directors perceives the following risks as high risks areas:-



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1. Currency / Foreign Exchange Risks
2. Procurement Risks
3. Business Risks

Major risks arise from the main raw materials viz. Styrene, Acrylonitrile and Butadiene. There is an availability risk associated with all, since Styrene and Acrylonitrile are not manufactured in the country and are 100% imported. Butadiene is currently consistently available from only one manufacturer in the country even though there are two other manufacturers. One more manufacturer is expected to start production this year. No hedging instruments are available to hedge their availability and price volatility risk and therefore, the company manages the availability risks partly by monitoring overseas supplies and partly by varying inventory levels.

Hedging is available for Currency / Foreign Exchange risks and is resorted to selectively.

Some of the major raw materials are hazardous and inflammable. The Company has ensured that required Safety equipment and infrastructure are in place as per statutes and global safety standards. Your company is also certified for ISO 14001 and OHSAS 18001, which address Environmental and Safety Systems and processes. In addition, all the safety measures like safety committee's constant supervision, periodical drills, risks awareness programs, appropriate treatment of effluents generated, are regularly taken with constant attention from senior level of the management.

The Company has also insured its assets, loss of profits and standing charges for insurable risks.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system exists to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions.

Internal audit is being conducted by an Independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control system in the organisation, its compliance with operating system, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective action in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee.

The Partners of both, Statutory and Internal Auditor attend all the Audit Committee meetings.

VII. DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS.

The company continuously monitors its Human Resource requirement to ensure that it has adequate human skills commensurate with its needs.

Cordial relations exist between the employees at various levels and the management.

To upgrade human skills and improve their efficiencies, the company continuously organizes workshops on different management areas and also deposes employees to external workshops and seminars.

CAUTIONARY STATEMENT.

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include raw material availability and prices, cyclical demand, movements in company's principal markets, changes in Government regulations, tax regimes, economic developments within and outside India and other incidental factors.

C. WIND POWER

The Wind Turbine Generator installed at Sadawaghapur, Taluka – Patan, District Satara, Maharashtra, has generated gross revenue of about Rs.95.05 lacs during the financial year (previous year Rs.102.13 lacs), and same is netted-off against the power cost.

D. DISCLOSURES UNDER COMPANIES ACT, 2013

I. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information sought under the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the **Annexure I**, forming part of this report.

II. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return is enclosed in **Annexure II**.

III. CHANGES IN THE SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2016 was Rs.1036.90 lacs, comprising of 2,07,37,984 equity shares of Rs.5/- each. During the year under review, the Company has allotted 1,03,68,992 equity shares as Bonus Shares in the ratio of one equity shares of Rs. 5/- each fully paid for each shares held, in the Company.

IV. NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company / business policy and strategy apart from other Board business. During the financial year under review, the Board of Directors met 6 (six) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

V. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of Mr. M G Patel, Mr. Kamlesh Vikamsey, Mr. Girish Choksey, and Mrs. Priyamvada Bhumkar. Mr. M G Patel is the Chairman of the Committee. Mr. M G Patel, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are the Non-Executive Independent Directors. More details on the committee are given in the Corporate Governance Report.

All the recommendations of the audit committee are accepted by the Board.

VI. BOARD INDEPENDENCE

The definition of Independence of Directors is derived from Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Independent Directors under Section 149(7) of the Companies Act, 2013 and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013;

1. Mr. M G Patel
2. Dr. S. Sivaram
3. Mr. Shailesh Vaidya
4. Mr. Kamlesh Vikamsey
5. Mrs. Priyamvada Bhumkar

In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, the Independent Directors met on 16th May 2016 and discussed issues as prescribed under the schedule IV of the Companies Act, 2013 and also discussed various other issues.

VII. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013 and Regulation 19 (4) read with Schedule II, Part – D of SEBI (LODR), Regulations, 2015, the Board has

carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Nomination & Remuneration Committee members, covering various aspects of the Board's functioning such as adequacy of composition of Board and Committees, Board communication, timeliness and unbiased information of right length and quality of information, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance and participation in the discussion and deliberation at the meeting, understanding role and responsibilities as board member, demonstration of knowledge, skill and experience that make him/her a valuable resource for the board.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Executive Directors was carried out by the Independent Directors, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

VIII. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration policy of the Company for Directors, Key Managerial Personnel (KMP) and Senior Personnel of the Company is enclosed as **Annexure III** to this Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment) and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure IV(A)** to this report.

IX. COMMENTS ON AUDITORS REPORT

There are no qualifications, reservations or adverse remarks on disclaimers made by M/s. Kalyaniwalla & Mistry, Chartered Accountant, Statutory Auditors, in their report and by Mr. Mahesh Hurgat, Company Secretary in Practice, in his Secretarial Audit report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

X. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013



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and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the company at large.

All new related party transactions are first approved by the Audit Committee and thereafter placed before the Board for their consideration and approval. A statement of all related party transactions is presented before the Audit Committee meeting on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of Contracts or arrangements with related parties referred to in Section 188(1), read with Rule 15 of The Companies (Meetings of Board and Its Powers) Rules 2014 is appended to this report in prescribed Form AOC 2 as **Annexure V**.

The Related Party Transaction Policy as approved by the Board is uploaded on the company's website at the following web link http://apcotex.com/policies/Related_Party_Transaction_Policy.pdf

XI. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

XII. VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

XIII. CORPORATE GOVERNANCE

The Company has always strived to adopt appropriate standards for good Corporate Governance.

Detailed report on the Corporate Governance and Management Discussion Analysis, form part of this report. A certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V of SEBI (LODR) Regulations, 2015 is annexed to the said Report.

E. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with

Section 135 of the Companies Act, 2013. The CSR committee was constituted by the Board of Directors of the Company at its meeting held on 26th April 2014. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company which is published on the Company's website.

The Company has under taken projects in the areas of Healthcare, Education, and Vocational Training for village women and social projects around the area surrounding the factory.

CSR committee planned more health check-up camp, distance education kits for remotely located schools in Adivasi settlements etc., around the plant area, which couldnot becompleted as planned during the financial year 2015-16 resulting into shortfall in CSR spent to the extent of Rs. 16.58 lacs.

The details of CSR activities as required under Section 135 of the Companies Act, 2013, are provided in CSR Report which is annexed herewith as **Annexure VI**.

F. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The company has conducted the Familiarisation program for Independent Directors appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at http://apcotex.com/policies/Familiarisation_of_Independent_Directors.pdf

G. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The insider trading policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and maintain the highest ethical standards of dealing in Company securities.

H. INTERNAL FINANCIAL CONTROLS

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

I. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- III. That they have taken proper and sufficient care for the 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 fraud and other irregularities;
- IV. That they have prepared the annual accounts on a going concern basis;
- V. That they, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- VI. That they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

J. DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company takes all necessary measures to ensure a harassment free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. No complaints relating to sexual harassment were received during the year.

K. FIXED DEPOSITS MATURED BUT NOT CLAIMED

Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to Rs.48,000/- and accrued interest of Rs.22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

L. PARTICULARS OF CORPORATE GUARANTEE

The Company has given corporate guarantee in favour of the Standard Chartered Bank for a maximum principal amount of Rs 50 Crores on behalf of Apcotex Solutions India Private Limited for credit facilities provide by bank to wholly owned subsidiary company.

M. INSURANCE

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as also liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2016-17.

N. ECOLOGY AND SAFETY

Company ensures safe, healthy and eco-friendly environment at its plant and surrounding area. Company continually works towards identification and reduction of risks and prevention of pollution at its plant and its surroundings.

Members of the Safety Committee of the Company's Talaja Plant, have been regularly reviewing the safety measures and their implementation to ensure adequate safety in material handling and processing, control of pollution caused by liquid effluents, dust and emissions from chimney etc. Samples are periodically drawn and the reports submitted to the Pollution Control Board indicating compliance with the standards.

Necessary application for renewal of consent to operate the plant at Talaja has been made to Maharashtra Pollution Control Board, consent of which is awaited.

O. PERSONNEL

The information required under Section 197 of the Companies Act, 2013 and read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are given in Annexure IV (B).

P. DIRECTORS & KEY MANAGERIAL PERSONNEL

I. Appointment:

Mr. Y B Gadgil (DIN 07353169) was appointed as additional director of the Company by Board of Directors at their meeting held on 6th February 2016. He would therefore hold office upto the conclusion of the ensuing annual general meeting.

Mr. Y B Gadgil qualifies to be an Executive Director and his appointment has been recommended by the Nomination and Remuneration Committee. Accordingly, it is proposed to appoint Mr. Y B Gadgil as an Executive Director for a period of 3 (Three years).

He possesses the appropriate skills, experience and knowledge inter alia in the field of Projects, Plant Maintenances, Production & Marketing.

The background of the Director(s) proposed for appointment/reappointment is given under the Corporate Governance section of the Annual Report.



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II. Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company Mr. Atul Choksey (DIN00002102) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. The Board recommends his reappointment.

The background of the Director(s) proposed for appointment/re-appointment is given under the Corporate Governance section of the Annual Report.

Q. AUDITORS

- I. Pursuant to provisions of Section 139(1) of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration no. 104607W), were appointed as Statutory Auditors of the Company to hold the office till the conclusion of the Annual General Meeting during the year 2018, subject to ratification at every Annual General Meeting.

The Company has received letter from the Statutory Auditors to the effect that their appointment, if made, would be within the prescribed limit under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified from the appointment.

Your Board recommends the ratification of appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration no. 104607W), Mumbai, as Statutory Auditors of the Company for the financial year 2016-17 and to hold the office till the conclusion of the next Annual General Meeting during the year 2017.

- II. Pursuant to provisions of Section 204 of the Companies Act, 2013 the Board of Directors have appointed Mr. Mahesh Hurgat, Practicing Company Secretary to conduct the Secretarial audit and his Report on the Company's Secretarial Audit is appended to this Report as **Annexure VII**.

R. CEO & CFO CERTIFICATION

Certificate from Managing Director and Chief Financial Officer of the Company, pursuant to the Regulation 17 (8) read with Schedule II of SEBI (LODR) Regulations, 2015, for the financial year under review was placed before the Board of Directors of the Company at its meeting held on 16th May 2016.

S. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to State Bank of India, Standard Chartered Bank, various departments of State / Central Government and local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Apcotex family. To all shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

The accompanying Annexure I to VIII are an integral part of this Directors' Report.

FOR AND ON BEHALF OF THE BOARD

ATUL C CHOKSEY
DIN00002102
CHAIRMAN

Mumbai: 16th May 2016

ANNEXURE I TO DIRECTORS' REPORT
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided here under:

(A) Conservation of Energy:	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in batch cycle time and improved operations.	
(B) Technology absorption:	No new technology has been acquired during the year. Upgradation of present technology is a continuous process, implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.	
Expenditure incurred on R&D during the Financial Year are as follows:		
		(Rs. in lacs)
Particulars	2015-16	2014-15
Capital	0.79	4.23
Recurring	189.60	148.60
Total	190.39	152.83
Total R & D expenditure as a percentage of Total Revenue	0.71%	0.43%
(C) Foreign Exchange Earnings and Outgo	The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given in Note 35 and 36 of the Financial Statements.	



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ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT. 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1986PLC039199
ii)	Registration Date	12/03/1986
iii)	Name of the Company	apcotex industries limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government company
v)	Address of the Registered Office and contact details	Plot no 3/1, MIDC Industrial area, Taloja, Raigad, Maharashtra Tel.: 022-27403500; Fax: 022-27412052
vi)	Whether listed Company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt Ltd. C-13, Pannalal Silk Mills compound, L.B.S. Marg, Bhandup (W), Mumbai-400078 Tel.: 25963838/ 25946970 Fax: 25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of synthetic rubber	20132	15
2	Manufacture of other products or preparations of kind used in the textile, paper, leather and like industries.	20297	85

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SI. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Apcotex Solutions India Pvt Ltd Plot No. 3/1, MIDC Industrial Area, Taloja, Maharashtra - 410208	U24296MH2007PTC174698	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters										
(1) Indian										
	a) Individual/ HUF	15,11,642	-	15,11,642	14.58	30,59,288	-	30,59,288	14.75	0.17
	b) Central Govt	-	-	-	-	-	-	-	-	-
	c) State Govt (s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	44,61,391	-	44,61,391	43.04	89,40,937	-	89,40,937	43.12	0.08
	e) Banks/FI	-	-	-	-	-	-	-	-	-
	f) Any Other..	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1):-	59,73,033	-	59,73,033	57.6	1,20,00,225	-	1,20,00,225	57.87	0.27
(2) Foreign										
	a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
	b) Other – Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks / FI	-	-	-	-	-	-	-	-	-
	e) Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	59,73,033	-	59,73,033	57.6	1,20,00,225	-	1,20,00,225	57.87	0.27
B. Public Shareholding										
1. Institutions										
	a) Mutual Funds	730	718	1,448	0.01	1,460	1236	2,696	0.01	-
	b) Banks/FI	621	444	1,065	0.01	1,984	888	2,872	0.01	-
	c) Central Govt	-	-	-	-	-	-	-	-	-
	d) State Govt(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify) – Foreign banks	-	446	446	0	-	892	892	0	-
	UTI	-	-	-	-	-	200	200	0	-
	Sub-total (B)(1):-	1,351	1,608	2,959	0.03	3,444	3,216	6,660	0.03	-



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Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
2. Non-Institutions										
a) Bodies Corp.		4,37,969	4,002	4,41,971	4.26	7,04,911	8,004	7,12,915	3.43	(0.83)
i) Indian		-	-	-	-	-	-	-	-	-
ii) Overseas		-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		27,52,688	5,90,904	33,43,592	32.24	49,78,221	10,18,690	59,96,911	28.91	(3.33)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		3,89,192	42,400	4,31,592	4.16	12,60,901	1,67,800	14,28,701	6.88	2.72
c) Others (specify)		-	-	-	-	-	-	-	-	-
Non Resident Indians (Repat)		85,986	18,366	1,04,352	1.01	1,53,628	35,258	1,88,886	0.91	(0.1)
Non Resident Indians (Non Repat)		39,420	3,198	42,618	0.41	1,17,712	6,396	1,24,108	0.59	0.18
Clearing Member		23,827	-	23,827	0.23	52,769	-	52,769	0.25	0.02
Directors/Relatives of Director		274	1,300	1,574	0.01	548	2,600	3,148	0	(0.01)
Trusts		2,008	1,466	3,474	0.03	3,576	2,932	6,508	0.03	-
Hindu Undivided Family		-	-	-	-	2,16,945	208	2,17,153	1.04	1.04
Sub-total (B)(2):-		37,31,364	6,61,636	43,93,000	42.37	74,89,211	12,41,880	87,31,099	42.1	(0.27)
Total Public Shareholding (B) = (B)(1) + (B)(2)		37,32,715	6,63,244	43,95,959	42.4	74,92,655	12,45,096	87,37,751	42.13	(0.27)
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		97,05,748	6,63,244	1,03,68,992	100	1,94,92,880	12,45,104	2,07,37,984	100	100

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			* % change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Abhiraj Atul Choksey	2,59,808	2.51	-	5,19,616	2.51	-	-
2	Abhiraj Trading and Investment Pvt Ltd	58,234	0.56	-	1,16,468	0.56	-	-
3	Amit Champaklal Choksey	55,025	0.53	-	1,10,050	0.53	-	-
4	Ankita Amit Choksey	27,044	0.26	-	54,088	0.26	-	-
5	Ankur Girish Choksey	6,800	0.07	-	13,600	0.07	-	-
6	Apco Enterprises Limited	56,176	0.54	-	1,12,352	0.54	-	-
7	Aquamarine Trading & Investments Pvt Ltd	49,400	0.48	-	98,800	0.48	-	-

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			* % change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
8	Atul Champaklal Choksey	6,70,200	6.46	-	13,76,404	6.64	-	0.18
9	Bhuvantray Investments & Trading Co Pvt Ltd	49,892	0.48	-	99,784	0.48	-	-
10	Biyash Abhiraj Choksey	18,000	0.17	-	36,000	0.17	-	-
11	Choksey Chemicals Pvt Ltd	138	0	-	276	0	-	-
12	Devaki Ashok Parekh	3,200	0.03	-	6,400	0.03	-	-
13	Devanshi Anant Veer Jalan	73,000	0.70	-	1,46,000	0.70	-	-
14	Dhumraketu Investments and Trading Co Pvt Ltd	16,59,557	16.00	-	33,37,269	16.09	-	0.09
15	Forest Hills Trading and Investments Pvt Limited	4,300	0.04	-	8600	0.04	-	-
16	Gauriputra Investments & Trading Co.Pvt Ltd	26,200	0.25	-	52,400	0.25	-	-
17	Girish Champaklal Choksey	8,900	0.09	-	17,800	0.09	-	-
18	Haridwar Trading and Investments Pvt Ltd	4,300	0.04	-	8,600	0.04	-	-
19	Janaki Ashok Parekh	2,400	0.02	-	4,800	0.02	-	-
20	Namrata Amit Choksey	28,538	0.28	-	57,076	0.27	-	-
21	Parul Atul Choksey	2,70,770	2.61	-	5,41,540	2.61	-	-
22	Prashant Girish Choksey	6,600	0.06	-	13,200	0.06	-	-
23	Priti Amit Choksey	23,567	0.23	-	47,134	0.23	-	-
24	Rita Ashok Parekh	53,190	0.51	-	1,06,380	0.51	-	-
25	Saldhar Investments & Trading Co Pvt Ltd	5,66,544	5.46	-	11,33,088	5.46	-	-
26	Sunita Girish Choksey	4,600	0.04	-	9,200	0.04	-	-
27	The Hindustan Mineral Products Limited	9,662	0.09	-	19,324	0.09	-	-
28	Trivikram Investments and Trading Co Ltd	19,76,988	19.07	-	39,53,976	19.07	-	-
		59,73,033	57.60	-	1,20,00,225	57.87	-	0.27

Note: * Other than number of shares increased due to allotment of Bonus Shares.



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iii) Change in Promoters' Shareholdings

SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Abhiraj Atul Choksey				
	At the beginning of the year	2,59,808	2.51	2,59,808	2.51
	Bonus Shares	2,59,808	-	5,19,616	2.51
	At the end of the year			5,19,616	2.51
2	Abhiraj Trading and Investment Pvt Ltd				
	At the beginning of the year	58,234	0.56	58,234	0.56
	Bonus Shares	58,234	-	1,16,468	0.56
	At the end of the year			1,16,468	0.56
3	Amit Champaklal Choksey				
	At the beginning of the year	55,025	0.53	55,025	0.53
	Bonus Shares	55,025		1,10,050	0.53
	At the end of the year			1,10,050	0.53
4	Ankita Amit Choksey				
	At the beginning of the year	27,044	0.26	27,044	0.26
	Bonus Shares	27,044		54,088	0.26
	At the end of the year			54,088	0.26
5	Ankur Girish Choksey				
	At the beginning of the year	6,800	0.07	6,800	0.07
	Bonus Shares	6,800		13,600	0.07
	At the end of the year			13,600	0.07
6	Apco Enterprises Limited				
	At the beginning of the year	56,176	0.54	56,176	0.54
	Bonus Shares	56,176		1,12,352	0.54
	At the end of the year			1,12,352	0.54
7	Aquamaraine Trading & Investments Pvt Ltd				
	At the beginning of the year	49,400	0.48	49,400	0.48
	Bonus Shares	49,400		98,800	0.48
	At the end of the year			98,800	0.48
8	Atul Champaklal Choksey				
	At the beginning of the year	6,70,200	6.46	6,70,200	6.46
	Bonus Shares	6,70,200		13,40,400	6.46
	Purchase on : 12th February 2016	1,690		13,42,090	6.47
	19th February 2016	5,277		13,47,367	6.50
	26th February 2016	8,896		13,56,263	6.54
	4th March 2016	6,471		13,62,734	6.57
	11th March 2016	4,030		13,66,764	6.59
	18th March 2016	9,615		13,76,379	6.64
	25th March 2016	25		13,76,404	6.64
	At the end of the year			13,76,404	6.64
9	Bhuvantray Investments & Trading Co Pvt Ltd				
	At the beginning of the year	49,892	0.48	49,892	0.48
	Bonus Shares	49,892		99,784	0.48
	At the end of the year			99,784	0.48
10	Biyash Abhiraj A. Choksey				
	At the beginning of the year	18,000	0.17	18,000	0.17
	Bonus Shares	18,000		36,000	0.17
	At the end of the year			36,000	0.17

SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	Choksey Chemicals Pvt Ltd				
	At the beginning of the year	138	-	138	0
	Bonus Shares	138	-	276	0
	At the end of the year			276	0
12	Devaki Ashok Parekh				
	At the beginning of the year	3,200	0.03	3,200	0.03
	Bonus Shares	3,200	-	6,400	0.03
	At the end of the year			6,400	0.03
13	Devanshi Anant Veer Jalan				
	At the beginning of the year	73,000	0.70	73,000	0.70
	Bonus Shares	73,000	-	1,46,000	0.70
	At the end of the year			1,46,000	0.70
14	Dhumraketu Investments and Trading Co Pvt Ltd				
	At the beginning of the year	16,59,557	16.00	16,59,557	16.00
	Bonus Shares	16,59,557	-	33,19,114	16.00
	Purchase on : 25th March 2016	5,605		2,33,24,719	16.03
	31st March 2016	12,550		33,37,269	16.09
	At the end of the year			33,37,269	16.09
15	Forest Hills Trading and Investments Pvt Ltd.				
	At the beginning of the year	4,300	0.04	4,300	0.04
	Bonus Shares	4,300	-	8,600	0.04
	At the end of the year			8,600	0.04
16	Gauriputra Investments & Trading Co.Pvt Ltd				
	At the beginning of the year	26,200	0.25	26,200	0.25
	Bonus Shares	26,200	-	52,400	0.25
	At the end of the year			52,400	0.25
17	Girish Champaklal Choksey				
	At the beginning of the year	8,900	0.09	8,900	0.09
	Bonus Shares	8,900	-	17,800	0.09
	At the end of the year			17,800	0.09
18	Haridwar Trading and Investments Pvt Ltd				
	At the beginning of the year	4,300	0.04	4,300	0.04
	Bonus Shares	4,300	-	8,600	0.04
	At the end of the year			8,600	0.04
19	Janaki Ashok Parekh				
	At the beginning of the year	2,400	0.02	2,400	0.02
	Bonus Shares	2,400	-	4,800	0.02
	At the end of the year			4,800	0.02
20	Namrata Amit Choksey				
	At the beginning of the year	28,538	0.28	28,538	0.28
	Bonus Shares	28,538	-	57,076	0.28
	At the end of the year			57,076	0.28
21	Parul Atul Choksey				
	At the beginning of the year	2,70,770	2.61	2,70,770	2.61
	Bonus Shares	2,70,770	-	5,41,540	2.61
	At the end of the year			5,41,540	2.61



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SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
22	Prashant Girish Choksey				
	At the beginning of the year	6,600	0.06	6,600	0.06
	Bonus Shares	6,600	-	13,200	0.06
	At the end of the year			13,200	0.06
23	Priti Amit Choksey				
	At the beginning of the year	23,567	0.23	23,567	0.23
	Bonus Shares	23,567	-	47,134	0.23
	At the end of the year			47,134	0.23
24	Rita Ashok Parekh				
	At the beginning of the year	53,190	0.51	53,190	0.51
	Bonus Shares	53,190	-	1,06,380	0.51
	At the end of the year			1,06,380	0.51
25	Saldhar Investments & Trading Co Pvt Ltd				
	At the beginning of the year	5,66,544	5.46	5,66,544	5.46
	Bonus Shares	5,66,544	-	11,33,088	5.46
	At the end of the year			11,33,088	5.46
26	Sunita Girish Choksey				
	At the beginning of the year	4,600	0.04	4,600	0.04
	Bonus Shares	4,600	-	9,200	0.04
	At the end of the year			9,200	0.04
27	The Hindustan Mineral Products Limited				
	At the beginning of the year	9,662	0.09	9,662	0.09
	Bonus Shares	9,662	-	19,324	0.09
	At the end of the year			19,324	0.09
28	Trivikram Investments and Trading Co Ltd				
	At the beginning of the year	19,76,988	19.07	19,76,988	19.07
	Bonus Shares	19,76,988	-	39,53,976	19.07
	At the end of the year			39,53,976	19.07

Note: Bonus Shares allotted on 25th September 2015

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mita Dipak Shah				
	At the beginning of the year	1,20,000	1.16	1,20,000	1.16
	Bonus Shares	1,20,000		2,40,000	1.16
	Sale on 31st March 2016	6,000		2,34,000	1.13
	At the end of the year			2,34,000	1.13
2	Vijay Kishanlal Kedia				
	At the beginning of the year	1,15,907	1.12	1,15,907	1.12
	Bonus Shares	1,15,907		2,31,814	1.12
	At the end of the year			2,31,814	1.12

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Amar Arvind Vakil				
	At the beginning of the year	86,900	0.84	86,900	0.84
	Bonus Shares	86,900		1,73,800	0.84
	At the end of the year			1,73,800	0.84
4	Abhay Arvind Vakil				
	At the beginning of the year	79,612	0.77	79,612	0.77
	Bonus Shares	79,612		1,59,224	0.77
	At the end of the year			1,59,224	0.77
5	Mint Investments Limited				
	At the beginning of the year	30,536	0.29	30,536	0.29
	Purchase on : 5th June 2015.	18,008		48,544	0.47
	12th June 2015.	2,132		50,676	0.49
	Bonus Shares	50,676		1,01,352	0.49
	Sale on 31st December 2015	12,767		88,585	0.43
	1st January 2016	7,585		81,000	0.39
	8th January 2016	642		80,358	0.39
	At the end of the year			80,358	0.39
6	Naga Dhunseri Group Limited				
	At the beginning of the year	39,558	0.38	39,558	0.38
	Purchase on 24th July 15	579		40,137	0.39
	Bonus Shares	40,137		80,274	0.38
	At the end of the year			80,274	0.39
7	Kishan Gopal Mohta				
	At the beginning of the year	50,750	0.49	50,750	0.49
	Sale on: 10th July 2015	250		50,500	0.49
	25th September 2015	24,882		25,618	0.25
	Bonus Shares	25,618		51,236	0.25
	Sale on 20th November 2015	47,664		3,572	0.02
	Purchase on 4th December 2015	26,522		30,094	0.15
	Sale on 4th March 2016	1,000		29,094	0.14
	Purchase on 31st March 2016	47,664		76,758	0.37
	At the end of the year			76,758	0.37
8	Hafeez Sorab Contractor				
	At the beginning of the year	30,000	0.29	30,000	0.29
	Bonus Shares	30,000		60,000	0.29
	At the end of the year			60,000	0.29
9	Subhra Bikash Banerjee				
	At the beginning of the year	27,873	0.27	27,873	0.27
	Bonus Shares	27,873		55,746	0.27
	At the end of the year			55,746	0.27
10	Tru Trading And Investments Pvt Limited				
	At the beginning of the year	24,428	0.24	24,428	0.24
	Bonus Shares	24,428		48,856	0.24
	At the end of the year			48,856	0.24



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(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Atul C. Choksey					
	At the beginning of the year	6,70,200	6.46	6,70,200	6.46	-
	Bonus Shares	6,70,200		13,40,400	6.46	Bonus Issue
	Purchase on : 12th February 2016	1,690		13,42,090	6.47	Purchase
	19th February 2016	5,277		13,47,367	6.5	Purchase
	26th February 2016	8,896		13,56,263	6.54	Purchase
	4th March 2016	6,471		13,62,734	6.57	Purchase
	11th March 2016	4,030		13,66,764	6.59	Purchase
	18th March 2016	9,615		13,76,379	6.64	Purchase
	25th March 2016	25		13,76,404	6.64	Purchase
	At the end of the year			13,76,404	6.64	
2	Abhiraj A. Choksey					
	At the beginning of the year	2,59,808	2.51	2,59,808	2.51	-
	Bonus Shares	2,59,808	-	5,19,616	2.51	Bonus Issue
	At the end of the year			5,19,616	2.51	
3	Girish C. Choksey					
	At the beginning of the year	8,900	0.09	8,900	0.09	-
	Bonus Shares	8,900	-	17,800	0.09	Bonus Issue
	At the end of the year			17,800	0.09	
4	Amit C. Choksey					
	At the beginning of the year	55,025	0.53	55,025	0.53	-
	Bonus Shares	55,025		1,10,050	0.53	Bonus Issue
	At the end of the year			1,10,050	0.53	
5	Manubhai G. Patel					
	At the beginning of the year	274	0	274	0	
	Bonus Shares	274		518	0	Bonus Issue
	At the end of the year			518	0	
6	Priyamvada Bhumkar					
	At the beginning of the year	5000	0.05	5,000	0.05	
	Bonus Shares	5000	0.05	10,000	0.05	Bonus Issue
	At the end of the year		0.05	10,000	0.05	
7	Y B Gadgil					
	At the beginning of the year	1300	0	1,300	0	
	Bonus Shares	1300	-	2,600	0.01	Bonus Issue
	At the end of the year			2,600	0.01	
8	Anand V Kumashi					
	At the beginning of the year	2300	0.01	2,300	0.01	
	Bonus Shares	2300	-	4,600	0.02	Bonus Issue
	At the end of the year			4,600	0.02	

Bonus share allotted on 25th September 2015

Note: Mr. Kamlesh Vikamsey, Dr. S Sivram, Mr. Shailesh Vaidya directors and Mr. Rohit Mahakal were not holding any shares at the beginning and at the end of the year.

V. INDEBTEDNESS

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

(Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,113.78	-	132.60	3,246.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13.66	-	-	13.66
Total (i+ii+iii)	3,127.44	-	132.60	3,260.04
Change in Indebtedness during the financial year				
• Addition	-	-	4.67	4.67
• Reduction	590.21	-	-	590.21
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	2,537.23	-	137.27	2,524.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12.85	-	-	12.85
Total (i+ii+iii)	2,537.23	-	137.27	2,674.50

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lacs)

Sl. no.	Particulars of Remuneration	Name of Managing Director	Name of Executive Director	Total Amount
		Mr. Abhiraj A. Choksey	Mr. Y B Gadgil *	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs. In Lacs)	72.23	5.61	77.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (Rs. In Lacs)	9.25	-	9.25
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 (Rs. In Lacs)	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	-	-
	Total (A) (Rs. In Lacs)	81.48	5.61	87.09
	Ceiling as per the Act	5% of net profits of the Company		

*Mr. Y B Gadgil was appointed as an Executive Director of the Company with effect from 6th February, 2016.



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B. Remuneration to other directors:

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount	
		M G Patel	Dr. S. Sivaram	Shailesh Vaidya	Kamlesh Vikamsey	Priyamvada Bhumkar		
1.	Independent Directors							
2.	• Fee for attending board / committee meetings	1.80	1.40	1.20	1.80	1.80	8.00	
	• Commission	1.20	1.20	1.20	1.20	1.20	6.00	
	• Others, please specify	-	-	-	-	-	-	
3.	Total (1)						14.00	
4.	Other Non-Executive Directors	Atul Choksey	Girish Choksey	Amit Choksey				
5.	• Fee for attending board/ committee meetings	0.80	0.60	0.60			2.00	
	• Commission	23.01	-	-			23.01	
	• Others, please specify	-	-	-			-	
	Total (2)						25.01	
	Total (B) = (1 + 2)						39.01	
	Total Managerial Remuneration							
	Overall Ceiling as per the Act	1% of net profits of the Company						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anand Kumashi	V Rohit R Mahakal	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(Rs. In Lacs)	23.78	15.01	38.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(Rs. In Lacs)	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961(Rs. In Lacs)	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	-	-
	Total	23.78	15.01	38.79

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		





ANNEXURE III TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY OF THE ORGANISATION

Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee (NRC), inter alia, consists of reviewing overall compensation policy, service agreements, performance incentive and other employment conditions of Managing Director / Whole-Time Director, Key Managerial Personnel (KMP's) and Senior Management personnel. The recommendations of the NRC are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

Guiding principles:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

The remuneration policy reflects the overriding remuneration philosophy and principles of the **apcotex industries limited**. When determining the remuneration policy and arrangements for Whole-time / Managing Director(s) / Key Managerial Persons (KMP), Senior Management Personnel (SMP), the NRC considers, pay and employment conditions with peers/elsewhere in the competitive market to ensure that pay structures are appropriately aligned and those levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The NRC while considering a remuneration package must ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

1. OBJECTIVE:

The Key Objectives of the Committee would be:

- a) ensure compliance of the applicable provisions with Section 178 of the Companies Act, 2013 and Clause 49 under the Listing Agreement entered into with the Stock Exchanges (as amended or re-enacted from time to time) relating to Nomination and Remuneration of Directors, Key Management Personnel (KMP) and Senior Management Personnel (SMP)
- b) to recommend the Board in relation to appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP).

- c) to evaluate performance and recommend remuneration of the Directors, KMP and SMP.

2. DEFINITIONS:

- (a) Managing Director (MD) / Whole-Time Director means a director, appointed by the Board of Director by virtue of the Articles of the Company under an agreement which has been approved by the members in the general meeting and is entrusted with substantial power of management of the affairs of the Company. Chief Executive Officer (CEO) means a person appointed by the Board of Directors to head a particular division or entire company.
- (b) Non-Executive Directors (NED) in relation to the Company means a member of the Board of Directors who is not in the employment of the Company.
- (c) Independent Director (ID) in relation to the Company shall have the same meaning as defined under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- (d) **Key Managerial Personnel (KMP) (Section 203):** Key Managerial Personnel means:
 - (i) Chief Executive Officer or the Managing Director or Whole-time Director;
 - (ii) Company Secretary,
 - (iii) Chief Financial Officer; and
 - (iv) such other officer as may be prescribed.
- (e) **Senior Management Personnel (SMP):** Senior Management Personnel means personnel of the company who are members of its core management team excluding the Board of Directors. The core management team consists of:
 - (i) Vice President(s)

3. ROLE OF COMMITTEE (Section 178 & Clause 49 IV B of Listing Agreement):

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to recommend to the Board the appointment and removal of KMP and SMP.
- c) to carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance.
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Managing Directors remuneration and incentive.
- e) to ensure Board Diversity through Board members who come from various different fields e.g. Accounts, Finance, Technical, Legal, Business, etc.

4. **MEMBERSHIP (Section 178 and Clause 49 IV A of Listing Agreement):**

The Committee shall:

- a) Consist of a minimum 3 Non-Executive directors, majority of them shall be Independent Directors.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Chairman of the Company can be the member of the NRC.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. **CHAIRMAN (Section 178 and Clause 49 IV A of Listing Agreement):**

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the NRC meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. **FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

7. **COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being valued.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. **SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

9. **VOTING:**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. **MINUTES OF COMMITTEE MEETING:**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

11. **Disclosure of Information:**

The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.



ANNEXURE IV TO DIRECTORS' REPORT

A. Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Disclosure Requirement	Disclosure details			
		Directors / KMP	Title	Ratio	% increase in remuneration
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2015-16, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2015-16.	Atul C. Choksey	Non-Executive Chairman	7.22	-9.23
		Abhiraj A. Choksey	Managing Director	22.74	12.00
		Girish C. Choksey	Non-Executive Director	0.18	20.00
		Amit C. Choksey	Non-Executive Director	0.18	20.00
		Manubhai G. Patel	Non-Executive Director	0.91	-16.67
		Dr. S. Sivaram	Non-Executive Director	0.79	4.00
		Shailesh S. Vaidya	Non-Executive Director	0.73	50.00
		Kamlesh Vikamsey	Executive Director	0.91	7.14
		Priyamvada Bhumkar	Non-Executive Director	0.91	114.29
		Y B Gadgil	Executive Director	1.73	0.00
		Anand V. Kumashi	Company Secretary	N.A	6.00
		Rohit R. Mahakal	Chief Financial Officer	N.A	15.39
2	Percentage increase in the median remuneration of employees in the financial year	4.26%; considering employees who were in employment for the whole of FY 2014-15 and FY 2015-16.			
3	Number of permanent employees on the rolls of Company at the end of the year	229			
4	Explanation on the relationship between average increase in remuneration and Company performance	<p>Recommendation for increase in remuneration is based on the following factors:</p> <ul style="list-style-type: none"> • Compensation trends based on industry benchmarking • Compensation positioning vis-à-vis market trend • Alignment between risks and remuneration • For employees who were in employment for the whole of FY 2014-15 and FY2015-16, average increase in remuneration for FY 2015-16 is 9.75% 			
5	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The total remuneration of the Key Managerial Personnel increased by 16.41% during 2015-16 whereas the Profit before Tax decreased by 4.02% during 2015-16.			
6	Variation on the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and % increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last publicoffer	<p>a) The market capitalization as on 31st March 2016 was 446 crore (515.34 crore as on 31st March 2015).</p> <p>b) Price Earning Ratio of the Company was 18.08. as at 31st March 2016 and was 20.88 as at 31st March 2015.</p> <p>c) Company's stock price as at 31st March 2016 has increased by 648.17% to 215.10 over the last public offering i.e. IPO during August 1996 at the price of Rs.115.00 per share (post subdivision and Bonus issue adjusted price Rs.57.50 and Rs.28.75)</p>			
7	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 14-15 and FY 15-16 the average increase is 13.97%. Average increase for managerial personnel is 20.53%.			

Sr. No.	Disclosure Requirement	Disclosure details		
		Directors/ KMP	Title	Remuneration F Y 2015-16 % of PBT
8	Comparison of remuneration of each Key Managerial Personnel against the performance of the Company.	Mr. Abhiraj A. Choksey	Managing Director	2.24
		Mr. Y B Gadgil*	Executive Director	0.17
		Mr. Anand Kumashi	Company Secretary	0.80
		Mr. Rohit Mahakal	Chief Financial Officer	0.45
	*Mr. Y B Gadgil appointed as an Executive Director with effect from 06 th February 2016.			
9	Key parameters for any variable component of remuneration availed by the Director	Managing Director is eligible to get Variable remuneration @ 15% of CTC and Executive Director is eligible to get Variable remuneration @ 12% of CTC, based on financial performance of the Company.		
10	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable		
11	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.		

B. Details pertaining to remuneration as required under section 197(2) of the Companies Act 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1

Name	Abhiraj A Choksey
Age	38 years
Qualification	Bachelor of Science in Economics from Wharton Business School and Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A
Designation	Managing Director
Date of Commencement of Employment	01/05/2005
Experience	15 years
Gross Remuneration	81.48 Lacs (Excluding perquisite under Income Tax Act)
Previous Employment	Apcosoft Pvt., Ltd
Designation	Managing Director
Shares held	2.51%

2

Name	Y B Gadgil
Age	56 years
Qualification	Bachelor of Chemical Engineering
Designation	Executive Director
Date of Commencement of Employment	06/02/2016
Experience	35 years
Gross Remuneration	5.61 Lakh (Excluding perquisite under Income Tax Act)
Previous Employment	Union Carbide & Asian Paints
Designation	Production, Engineering Services and Projects, Plant Manager in- charge of Production and Projects etc
Shares held	0.01%



ANNEXURE V TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis:

	A	B	C	D	E	F	G	H
Sr. no.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

2 Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	A	B	C	D	E	F
	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
1	Apco Entereprise Ltd. Common Director(s).	Leasing of premises	5 years 01/10/2014 to 30/09/2019	Lease Rent @ Rs.55,000/- p.m + all direct expenses	31/10/2014	702,000
2	Trivikram Investment & Trading Co., Ltd Common Director(s).	Leasing of premises	on going	Lease Rent @ Rs.15,000/- p.m + all direct expenses	25/05/2009	N.A.
3	Choksey Chemicals Pvt Ltd. Common Director(s).	Sale of Goods at prevailing market price	3 years 01/11/2013 to 31/10/2016	Sale of Goods at prevailing market price	31/10/2013	N.A.
4.	Apcotex Solutions India Private Limited (ASIPL) Subsidiary Company	Inter corporate Deposit	Till the time ASIPL arrange Working capital facilities from Bank.	Inter corporate deposit up to 15 Crores.	05/02/2016	NA
5.	Apcotex Solutions India Private Limited (ASIPL) Subsidiary Company	Sale/Purchase of Goods at prevailing market price	on going	Sale/Purchase of Goods at prevailing market price	-	NA
6.	Aquamarine Investment Managers LLP. Director's relatives are partners.	Leasing of premises	5 years 01/07/2015 to 30/06/2020	Lease Rent @ Rs.7,000/- p.m + all direct expenses	08/05/2015	NA

ANNEXURE VI TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs Proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 and same is placed on the Company's website and web-link of same is http://apcotex.com/CSRP.pdf The company has undertaken activities in the area of Healthcare, Education & Vocational Training and Social Projects in the Plant area through: a. Rotary Club of New Panvel b. Jan Shikshan Sansthan, Raigad c. St. Jude – Mumbai d. Bhagwan Yagnyavalkya Ved Tauva Gyan Yogashram e. Cancer Patients Aid Association The company has carried certain activities on its own.
2	The composition of CSR Committee	Mr. Atul Choksey – Chairman (Chairman of the Company) Mr. Shailesh Vaidya – Member (Independent Director) Mr. Abhiraj A. Choksey – Member (Managing Director)
3	Average net profit of the Company for last three financial years	Rs. 2317.37 lacs.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs.46.35 lacs
5	Details of CSR spend for the financial year: a. Total amount spent for the financial year	Rs. 29.77 lacs
	b. Amount unspent, if any.	Rs. 16.58 lacs
	c. Manner in which the amount spent during the financial year is detailed below:	



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(₹ in lacs)

Sr. No.	Projects / Activities	Sector	Locations (District & State)	Amount Outlay (Budget) Project or Programwise	Amount Spent on the Project or Program	Cumulative Expenditure upto Report period	Amount Spent : Direct or through implementing Agency.
1	Providing Distance Education at remote Schools	Literacy / Education	Village Karavale, Near Taloja, Dist. Raigad, Maharashtra	2.00	0.47	0.47	Rotary Club
2	Health & Hygiene in villages around Plant area	Healthcare	Chirneer, Chindran,, Karavale Village, Tal. Panvel, Dist. Raigad, Maharashtra	6.00	4.45	4.45	Rotary Club
3	Vocational Training to village women around the Plant area	Education / Vocational Skill	Pale and Vallap Village, Tal. Panvel, Dist. Raigad, Maharashtra	9.00	2.75	2.75	Jan Shikshan Sansthan.
4	Providing shelter, food and medicines to cancer affected childrens and their parents from poor family - Total committed budgeted amount over a period of 5 yers is Rs.108.00 lacs	Healthcare	Mumbai, Maharashtra.	25.00	20.00	20.00	St. Jude India Childcare Centre.
5	Educational & Residential support for childrens studying Vedic culture	Education	Village Mudeti, Tal, Idar, Dist. Sabarkantha, Gujarat	3.00	1.90	1.90	Bhagwan Yagyavalkya Ved Tattvagyan Yoashram Trust
6	Providing shelter, food and medicines to Cancer affected childrens and their parents from poor family - Total committed budgeted amoutn over a period of 5 yers is Rs.108.00 lacs	Healthcare	Mumbai, Maharashtra	1.00	0.20	0.20	Cancer Society of India
				46.00	29.77	29.77	

Our CSR Responsibilities:

We hereby confirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

**ANNEXURE VII TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March 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 Members

APCOTEX INDUSTRIES LIMITED

Plot No. 3/1, PB No.13,
MIDC Industrial Area,
Taloja: 410 208,
Dist. Raigad, Maharashtra.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apcotex Industries Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 1956 and The Companies Act, 2013 (the Act) as applicable, and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (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.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable for the financial year ended 31st March 2016)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable for the financial year ended 31st March 2016)
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable for the financial year ended 31st March 2016) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable for the financial year ended 31st March 2016)
- (vi) Following Laws applicable specifically to the Company.
 - a) The Petroleum Act, 1934 and Rules made thereunder.
 - b) The Indian Explosive Act, 1884 read with The Static and Mobile Pressure Vessels (Unfired) Rules, 1981.
 - c) The Factories Act, 1948 read with The Maharashtra Factories(Control of Industrial Major Accident Hazards) Rules, 2003.
 - d) The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989.



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(vii) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other generally applicable Acts, Laws and Regulations to the Company.

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 Stock Exchanges and SEBI (LODR) Regulations, 2015

During the period under review, the Company has complied with the provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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, if any, are captured and recorded as part of the minutes.

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.

MAHESH HURGAT
PRACTISING COMPANY SECRETARY
ACS NO.: 7139 C. P. NO.: - 2498

Date: 16th May 2016
Place: Mumbai

ANNEXURE VIII TO DIRECTORS' REPORT

Form AOC-1

Statement containing salient features of the financial statement of subsidiary

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹ in Lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Apcotex Solutions India Private Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	1,609.92
5.	Reserves & surplus	8,809.06
6.	Total assets	13,142.58
7.	Total Liabilities	2,723.59
8.	Investments	24.92
9.	Turnover	2,990.73
10.	Profit before taxation	244.97
11.	Provision for taxation	-
12.	Profit after taxation	1385.96
13.	Proposed Dividend	-
14.	% of shareholding	100

Notes:

1. Part B i.e. Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is "Not Applicable" to the Company as there are no associate / joint venture companies.
2. The amounts given in the table above is from the Financial Statements of accounts for the period ended 31st March 2016.
3. There are no subsidiaries which are yet to commence operations.

CORPORATE GOVERNANCE

I. Company's Philosophy on Code of Corporate Governance:

The Company is committed to good Corporate Governance practices with the object of increasing benefits for all stakeholders of the Company viz. Shareholders, Customers, Suppliers, Employees and Society in general.

II. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is comprised of Ten Directors, both executive and non-executive. Mr. Atul Champaklal Choksey is the non-executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj A. Choksey, the Managing Director and Plant operations by Mr. Y B Gadgil – Executive Director, under the active guidance of the chairman.

Mr. Manubhai G Patel, Dr. S. Sivaram, Mr. Shailesh Vaidya, Mr. Kamlesh Vikamsey, and Mrs. Priyamvada Bhumkar are non-executive, independent directors, who constitute fifty percent (50) of the total strength of the Board.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymers technology, finance, accountancy and law. The Board of Directors meet as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board and of the respective Committee meetings wherever they are members; namely Audit Committee, Nomination & Remuneration Committee, Social Responsibility Committee and Shareholders & Stakeholders Relationship Committee. During the financial year 2015-16, six meetings of the Board of Directors were held on **a) 8th May 2015, b) 31st July 2015, c) 25th September, 2015, d) 6th November 2015 e) 5th February 2016 and f) 6th February 2016.**

Independent Directors are expected not to serve on the Board of competing companies. No Director of the company is a member of more than ten Committees or can act as Chairman of more than five committees across all public limited companies in which he / she is a Director. For the purpose of these only membership and chairmanship of Audit Committee and Stakeholders' Relationship Committee are considered.

Further, every Director informs the Company about the Committee position he / she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Company's Directors in public limited companies as on 31st March 2016 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/ Category of ship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman*
Atul C. Choksey	Non- Executive Chairman Promoter	6	Yes	9	-/-
Abhiraj A. Choksey	Managing	6	Yes	3	-/-
Girish C. Choksey	Non-Executive	4	No	4	3/-
Amit C. Choksey	Non-Executive	6	Yes	4	-/-
Manubhai G. Patel	Non-Executive, Independent	3	Yes	3	-/2
Dr. S. Sivaram	Non-Executive, Independent	5	Yes	4	2/-
Shailesh S. Vaidya	Non-Executive, Independent	6	Yes	5	-/-
Kamlesh S. Vikamsey	Non-Executive, Independent	5	Yes	5	4/1
Priyamvada Bhumkar	Non-Executive, Independent	5	Yes	1	1/-
Y B Gadgil*	Executive	NA	NA	--	-/-

* Mr. Y B Gadgil was appointed an Executive Director in the Board Meeting held on 6th February 2016.

Mr. Atul C. Choksey, Mr. Abhiraj A. Choksey, Mr. Girish C. Choksey and Mr. Amit C. Choksey are related to each other.



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Details of shareholding of Directors as on 31st March 2016

The number of equity shares of face value of Rs.5/- each of the Company held by the Directors on 31st March 2016 is as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non-Executive Director	13,76,404	6.64
Abhiraj A. Choksey	Executive Director	5,19,616	2.51
Girish C. Choksey	Non-Executive Director	17,800	0.09
Amit C. Choksey	Non-Executive Director	1,10,050	0.53
Manubhai G. Patel	Non-Executive Director Independent	548	--
Dr. S. Sivaram	Non-Executive Director Independent	--	--
Shailesh S. Vaidya	Non-Executive Director Independent	--	--
Kamlesh Vikamsey	Non-Executive Director Independent	--	--
Priyamvada Bhumkar	Non-Executive Director Independent	10,000	0.05
Y B Gadgil	Executive Director	2,600	0.01

Responsibilities:

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the intervening gap between the meetings is within the period prescribed under the Companies Act 2013. During the year under review the Board met six times. The agenda of the Board meetings is circulated to all the Directors well in advance and contains all the relevant information. The Managing Director is responsible for corporate strategy, planning, external contacts and Board Matters. The Executive Director is responsible for Plant Operations. The senior management personnel heading respective divisions are responsible for all day-to-day operations related issues, productivity, recruitment, and employees retention for their divisions.

Remuneration Policy;

Non-executive Directors are paid sitting fees for each meeting of the Board or its committees attended by them and are also eligible for commission. The shareholders of the Company at the meeting held on July 5, 2012 had authorised the payment of commission to the Non-Executive Directors @ 1% of net profit of the Company, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013. The allocation of commission to Non-Executive Directors is determined by the Board based on the individual contribution.

The Remuneration paid to the Non-Executive Directors of the Company during the financial year, 2015-16 are as under:

Name of Director	Sitting Fees	Commission	Total
Mr. Atul Choksey	80,000	23,01,000	23,81,000
Mr. Girish Choksey	60,000	-	60,000
Mr. Amit Choksey	60,000	-	60,000
Mr. M.G.Patel	1,80,000	1,20,000	3,00,000
Dr. S. Sivaram	1,40,000	1,20,000	2,60,000
Mr. Shailesh Vaidya	1,20,000	1,20,000	2,40,000
Mr. Kamlesh Vikamsey	1,80,000	1,20,000	3,00,000
Mrs. Priyamvada Bhumkar	1,80,000	1,20,000	3,00,000

Remuneration paid to Managing Director for the financial year 2015-16 is as under:

Name	Abhiraj A. Choksey
Salary	Rs. 64.19 Lacs
Variable Pay	As per Company's Policy.
Provident Fund	Rs. 2.70 Lacs
Perquisites	Rs. 9.25 Lacs
Service Contract and Period	Agreement Dt. 01/05/2013 Period: 01/05/2013 to 30/04/2016
Notice Period	6 months
Severance Fees	Nil

III. Board Committees:

The Company has constituted various committee(s) in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company Secretary acts as the Secretary to all the Committees. Each of these Committees has the authority to engage outsider experts, advisors, and counsels to the extent it considers appropriate to assist in its functions. Minutes of the Committee meetings are circulated to the Directors and placed before the Board meeting for noting thereat.

A) Audit Committee

The Audit Committee was constituted in April 2000. During the year under review, four meetings of the Committee were held on **a) 8th May 2015, b) 31st July 2015, c) 6th November 2015 and d) 6th February 2016.**

The Audit Committee comprises of four directors viz. Mr. M. G. Patel as the Chairman, Mr. Girish Choksey, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar as members. Mr. M. G. Patel, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are Non- Executive Independent Directors.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Numbers of Meetings held – Four
		Attended
M. G. Patel	Non-Executive, Independent	3
Girish C. Choksey	Non-Executive	1
Kamlesh Vikamsey	Non-Executive, Independent	3
Priyamvada Bhumkar	Non-Executive, Independent	4

The Audit Committee invites the executives of the Company, as it considers appropriate, representatives of Statutory Auditors and representatives of the Internal Auditors at its meetings.

The role of the Audit Committee includes the followings pursuant to Regulation 18 (3) read with Schedule II of SEBI (LODR) Regulations, 2015 and read with Section 177 of the Companies Act, 2013.

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion in the draft Audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;



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13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification/ changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.

B) Nomination and Remuneration Committee:

Pursuant to provisions of Section 178 of the Companies Act, 2013 and other applicable provisions, the Remuneration Committee was reconstituted as “Nomination and Remuneration Committee” by the Board of Directors in their meeting held on 26th April 2014. The present Members of Committee are - Mr. M G Patel, Mr. Atul Choksey, Dr. S. Sivaram and Mr. Kamlesh Vikamsey.

The Nomination and Remuneration committee met twice during the financial year viz. **31st July 2015 and 6th February 2016**. The necessary quorum was present for all the meetings. The Chairman of the Nomination & Remuneration Committee meeting was present at the last Annual General Meeting. The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

Name	Non-Executive / Independent	Numbers of Meetings held – TWO
		Attended
Mr. M. G. Patel	Non-Executive, Independent	2
Dr. S. Sivaram	Non-Executive Independent	2
Mr. Atul Choksey	Non-Executive	2
Mr. Kamlesh Vikamsey	Non-Executive Independent	1

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published elsewhere in this report as Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and other disclosures as required to be made under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 have been provided in the previous section of this Report.

C) Corporate Social Responsibility Committee:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a “Corporate Social Responsibility Committee” in their meeting held on 26th April 2014, comprising of three Directors including an Independent Director viz. Mr. Shailesh Vaidya, Mr. Atul Choksey - Chairman and Mr. Abhiraj A. Choksey – Managing Director.

The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are as under:

- a) Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

- b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c) To monitor the CSR policy of the Company from time to time;
- d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee met on 22nd April 2016. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2015-16 and details of meeting held and attended by the Directors are as under:

Name	Non-Executive / Independent	Numbers of Meetings held – ONE
		Attended
Mr. Shailesh Vaidya	Non-Executive Independent	1
Mr. Atul Choksey	Non-Executive	1
Mr. Abhiraj A. Choksey	Managing Director	1

The CSR policy devised in accordance with Section 135 of the Companies Act, 2013 and the details about the development of CSR Policy and initiatives under taken by the Company on CSR during the financial year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have also been appended as an Annexure to the Directors Report.

CSR committee planned health check-up camps, distance education kits for more remotely located schools in Adivasi settlements etc., around the plant area, which could not be completed as planned during the financial year 2015-16 resulting into shortfall in CSR spent to the extent of Rs.16.58 lacs.

D) Shareholders / Investors Grievances Committee:

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and other applicable provisions, 'Shareholders / Investors Grievances Committee' was reconstituted as '**Stakeholders Relationship Committee**' in the Board meeting held on 26th April 2014.

The committee comprises of two directors' viz. a) Mr. M. G. Patel, a non-executive independent Director, Chairman of the reconstituted Committee and b) Mr. Girish Choksey.

Terms of Reference of Stakeholders Relationship Committee as set out in the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 will include the following:

- Considering and resolving the grievances of security holders of the Company
- Overseeing redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The details of correspondences / grievances received and redressed during the financial year 2015-16 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
A	Complaints		
	Directly from Shareholders	66	66
	SEBI	2	2
	Stock Exchanges	1	1
	Total (A)	69	69
B	Type of Requests from Shareholders		
	Request for change of address	116	116
	Request for procedure of transfer/transmission of shares /deletion of name	121	121
	Request for change/correction of Bank details/mandate /Ecs details	77	77
	Request for revalidation/issue of fresh demand drafts	127	127
	Issue of Duplicate share certificates	34	34
	Change of Signature	5	5
	Request for stop transfer removal	29	29
	Request for stop transfer / procedure for duplicate	80	80



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Source		Correspondences	
		Received	Redressed / Attended
	Confirmation of details	52	52
	Exchange of Shares	78	78
	Dematerialisation of Shares	11	11
	Correction of name and address	26	26
	Miscellaneous	1	1
	Total (B)	757	757
	Grand Total (A+B)	826	826

Mr. Anand V. Kumashi, has been appointed as the Compliance Officer, as required by Regulation 6 of SEBI (LODR) Regulations 2015. He has been entrusted the task of meeting fully the requirements of the said Regulation and overseeing the share transfer work done by the Registrars and Share Transfer Agents; attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI, and stock exchanges.

With reference to Regulation 46 of SEBI (LODR) Regulations, 2015 the Company has designated exclusive e-mail ID as redressal@apcotex.com for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

E) Meeting of Independent Directors:

The company's Independent Directors met on **16th May 2016** without the presence of the Managing Director, Non-Executive Non-Independent Directors and the Management representatives. The meeting was attended by all the Independent Directors (except Mr. Shailesh Vaidya) and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Code of Conduct:

The Company has a Code of Conduct for Directors and members of Senior Management. The Code is available on the Company's Website at <http://apcotex.com/apadmin/Images/-CODE%20OF%20CONDUCT.pdf>. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

Prohibition of Insider Trading:

In compliance with the provisions of SEBI (Prohibition of Insider Trading Regulations) 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted Code of Conduct for Insider Trading for prohibition of Insider trading for all Directors and specified employees of the Company. This policy also provides for periodical disclosures from the designated employees as well as pre-clearances of transactions by such persons.

Vigil Mechanism or Whistle-Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulation, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at http://apcotex.com/policies/Whistle_Blower_Policy.pdf

Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations 2015)

Name of the Director	Mr. Atul C Choksey	Mr. Y B Gadgil
Director Identification Number (DIN)	00002102	07353169
Date of Birth	17-10-1951	20-05-1958
Nationality	Indian	Indian
Date of Appointment on Board	23/01/1991	06/02/2016
Qualification	Chemical Engineer	Bachelor of Chemical Engineering

Shares held	13,76,404	2,600
List of Directorship held in other listed Companies	1. CEAT LIMITED 2. Marico Ltd 3. Finolex Cables Ltd	NIL
Membership / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL
Relationship with other Board Members.	Related to Mr. Amit Choksey, Mr. Girish Choksey and Mr. Abhiraj A. Choksey	Not related to any Board Member or KMP

General Body Meetings

During the preceding three years, the Company's Annual General Meeting were held at Plot no. 3/1, MIDC Industrial Area, Taloja-410208, Dist. Raigad, Maharashtra.

Details of last three Annual General Meetings Held:

Year	Date	Time	Special resolution/s passed
2014-15	31 st July 2015	04.00 p.m	No
2013-14	31 st July 2014	10.30 a.m.	Yes(One)*
2012-13	28 th June 2013	11.30 a.m.	Yes(Two)*

*Special Resolution/s passed:

2013-14:

Authorised the Board of Directors to borrow funds upto Rs.120 crores.

2012-13:

- 1) Appointment of Mr. Abhiraj A. Choksey as Managing Director for a period of 3 years
- 2) Split of equity share of Rs.10/- each into two equity share of Rs.5/- each.

Special Resolution passed through postal ballot

Special resolution was passed through postal ballot during the financial year 2015-16 for seeking Shareholders approval for issue of Bonus Shares. None of the business proposed to be transacted in the ensuing Annual General meeting require passing a special resolution through postal ballot.

Disclosures:

Related Party Transactions:

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. The details of Related Party Transactions are given in Annexure to the Directors Report.

Risk Management:

The Company has since 2004-05, undertaken the exercise of identifying risks being faced by the company and ways of managing such risks. Risk minimisation is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company.

MD and CFO Certification:

Certificate from Mr. Abhiraj A. Choksey, Managing Director and Mr. Rohit Mahakal, CFO, in terms of Regulation 17 (8) read with Schedule II, was placed before the Board of Directors of the Company in its meeting held on 16th May 2016.

Compliances:

The Company believes that it has complied with all the regulations of Stock Exchanges, Securities and Exchange Board of India (SEBI) or other statutory authority/ties on matters related to capital markets. No penalty has been imposed or strictures passed during the year against the Company by SEBI, Stock Exchange(s), or any other statutory authority.



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Means of Communication:

The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadeep', and displayed on Company's website, www.apcotex.com.

1. The Annual Report is circulated to all members, and is also available on the Company's website.
2. The Annual Report of the Company for the financial year 2015-16 is being emailed to the members whose email addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent at their registered address.
3. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

Management Discussion and Analysis forms part of the Directors Report.

Certification of Corporate Governance Report:

Certificate from Mr. Mahesh Hurgat, Practicing Company Secretary, (Membership no.-7139) on Corporate Governance, as required by Regulation 34 (3) read with Schedule V of SEBI (LODR), Regulations, 2015, is incorporated in this Annual Report.

General Shareholders Information:

- a) 30th Annual General Meeting will be held on **Wednesday, 10th day of August 2016 at 4.00 pm** at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra
- b) The Company's financial Year is 1st April to 31st March
- c) Dates of book closure: **Monday, 1st day of August 2016 to Tuesday, the 9th day of August 2016** (both days inclusive) for the Purpose of Annual General meeting and payment of dividend.
- d) Proposed Dividend: **Rs.4.50/- (Rupees four and fifty paise Only)** for Equity Shares of Rs.5/- each.
- e) Dividend payment date: on or after **11th August 2016**.
- f) Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.
- g) Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
- h) Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.
For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company.
- i) Listing on Stock Exchanges: The Company's equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd, Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date
- j) Stock Code: Bombay Stock Exchange Limited - 523694
Symbol : National Stock Exchange of India Ltd. – APCOTEXIND
- k) ISIN allotted to Equity Shares is INE116A01024

Market Price Data:

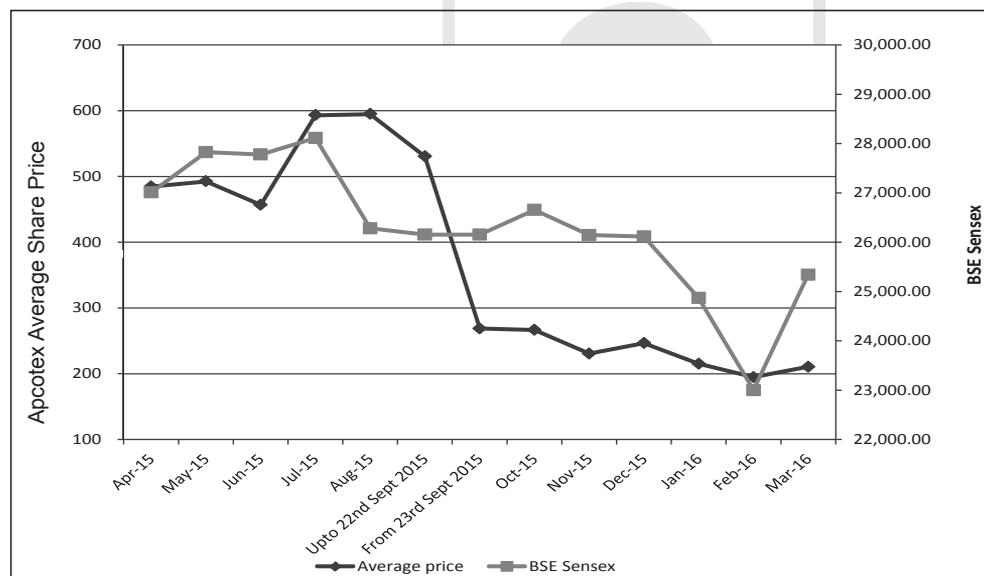
Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year **2015-16**

(Amount in Rs.)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April	534.2	435.0	535.0	426.0
May	540.0	445.0	542.0	445.0
June	486.7	427.0	500.0	431.0
July	721.4	465.0	718.0	461.0
August	680.0	509.7	676.0	504.0
Upto 22nd Sept	579.0	482.0	577.9	482.0
From 23 rd Sept	278.0	259.5	283.0	254.0
October	285.0	248.2	285.0	249.0
November	248.1	213.0	251.0	212.5
December	275.8	217.0	276.0	218.0
January	243.9	186.1	244.9	186.4
February	208.0	181.5	207.9	178.0
March	232.9	188.0	233.0	186.0

Company has issued Bonus Shares in the ratio of One Equity Shares of Rs.5/- each fully paid for every equity share of Rs.5/-, pursuant to the resolution passed through postal ballot on September 12, 2015

Stock Performance Index :



Registrars and Share Transfer Agents:

The Company has appointed Link Intime India Pvt Limited as its Registrars and Share Transfer Agents w.e.f 1st August 2006. Share Transfers, dematerialisation of shares, and all other investors related activities are attended and processed at the office of the Registrars and Share Transfer Agents at the following address :

LINK INTIME INDIA PVT LTD

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai-400 078

Tel. No.- (022) 25963838

Fax : (022) 25946969

Email : rnt.helpdesk@linkintime.co.in



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Share Transfer System:

Company's shares are compulsorily traded in the demat segment on the stock exchange(s), and most transfers of shares take place in electronic form.

For expediting Physical transfer of shares, the Board has delegated the share transfer formalities to the officials of Registrar and Share Transfer Agent, to approve the transfer of shares on every Monday. Physical transfers are effected well within the stipulated period of 30 days.

Distribution of Share: Distribution of shareholding as on 31st March 2016.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	18,849	88.90	24,73,706	11.93
501 - 1000	1,190	5.61	8,97,045	4.33
1001 - 2000	592	2.79	8,99,299	4.34
2001 - 3000	153	0.72	3,82,822	1.85
3001 - 4000	117	0.55	4,31,630	2.08
4001 - 5000	60	0.28	2,74,729	1.32
5001 - 10000	118	0.55	8,57,402	4.13
Above 10001	123	0.58	1,45,21,351	70.02
Total	21,202	100.00	2,07,37,984	100.00

Categories of Shareholding as on 31st March 2016:

Sr. No.	Category	No. of Shares	% of shareholding
1.	Promoters' Holding Indian Promoters	1,20,00,225	57.87
2.	Non promoters' Holding Mutual Funds/Trusts/clearing members	61,973	0.30
	Insurance companies/Banks/Financial Institution	3,964	0.02
	Indian Public	74,25,612	35.80
	Directors/Relatives	3148	0.02
	Hindu Undivided Family	2,17,153	1.05
	Non Resident Indians	3,12,994	1.50
	Other Corporate Bodies	7,12,915	3.44
	Total	2,07,37,984	100.00

Dematerialisation of Shares:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2016, 1,94,92,880 Equity Shares comprising of 94.00% of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion data and impact on equity: NIL

Other Information:

Corporate Identification Number (CIN No.):

L99999MH1986PLC039199

Plant Location:

Plot No.3/1, MIDC Industrial Area

Taloja – 410 208, Dist. Raigad, Maharashtra

Telephone: (022) 2740 3500

Fax: (022) 2741 2052

Investors Correspondence:

Investor correspondence may be addressed to any of the following:

Registered Office and Plant	Registrar & Share Transfer Agents
Plot No.3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra Telephone: (022) 2740 3500 Fax: (022) 2741 2052	LINK INTIME INDIA PVT LTD (formerly Intime Spectrum Registry Ltd) C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup(w), Mumbai-400 078 Tel. No. - (022) 2596 3838 Fax - (022) 2594 6969
Website: www.apcotex.com E-mail: redressal@apcotex.com	Website: www.linkintime.co.in E-mail. : rnt.helpdesk@linkintime.co.in

Unclaimed Dividend

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are to be transferred to the Investors Education and Protection Fund, administered by the Central Government. The table given below gives the dates of dividend declaration or payment and the corresponding date when unclaimed dividends will be due to be transferred to the Central Government.

Year	Dividend Account No.	Bank name	Date of declaration	Date due for transfer to Central Government
2008-09	00602230012006	HDFC Bank Ltd	27/07/2009	26/07/2016
2009-10	31260068904	State Bank of India	27/07/2010	26/07/2017
2010-11	31847607342	State Bank of India	30/07/2011	29/07/2018
2011-12	32385456081	State Bank of India	05/07/2012	04/07/2019
2012-13	33052231411	State Bank of India	28/06/2013	27/06/2020
2013-14	33955651985	State Bank of India	31/07/2014	29/07/2021
2014-15	35071962068	State Bank of India	31/07/2015	29/07/2022

The concerned shareholders are requested to get their uncashed dividend warrants revalidated and encashed thereafter.

Declaration – Code of Conduct

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31st March 2016, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Place : Mumbai
Date : 16th May 2016.

Abhiraj A. Choksey
Managing Director



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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE;

To the **Members of**
Apcotex Industries Limited

Taloja, Dist. Raigad, Maharashtra.

I have examined the compliance of conditions of **Corporate Governance** by **Apcotex Industries Limited** for the financial year **2015-16**, as stipulated under Regulation 34 of SEBI (LODR) Regulations 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In My opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 34 of SEBI (LODR) Regulations 2015 .

I further state that such compliance is neither an assurance as to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.



Mahesh Hurgat
Practicing company secretary
ACS No. 7139 C.P. No. 2498

Mumbai: 16th May 2016

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
APCOTEX INDUSTRIES LIMITED.**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **APCOTEX INDUSTRIES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows For the year ended on that date.

Report on Other Legal and Regulatory Requirements

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



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- e) On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the standalone financial statements.
 - ii. The Company has made provision, as required

under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contract including derivative contracts.

- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W
Ermin K. Irani**

**Partner
M. No.: 35646**

Place: Mumbai

Dated: May 16, 2016



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone financial statements For the year ended March 31, 2016.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- ii. In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.
- iii. The Company had granted an unsecured loan to a wholly owned subsidiary company, covered in the register maintained under section 189 of the Act. The Company has not granted any loan to firm, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act.
 - a. the terms and conditions of the loan granted are not prejudicial to the Company's interest.
 - b. the said loan was repayable on demand and has been repaid before the end of the financial year. However, interest amount is outstanding at the end of the financial year.
 - c. there is no overdue amount in respect of the loan granted. Hence the question of commenting on reasonable steps taken by the Company for recovery of principle and interest does not arise.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has given loans, made investments in the securities of other body corporate and given guarantee within the limit specified by section 186 of the Act and details of such transactions have been disclosed in the standalone financial statements.
- v. In our opinion and according to the information and explanations given to us, 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 are not applicable.
- vi. In our opinion and according to information and explanations given us the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Company (Cost Record and Audit) Rules, 2014.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute except:

(₹ in Lac)

Sr. No.	Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Tax	3.75	2002-03	Commissioner of Income Tax (appeals)
2	Income Tax Act, 1961	Tax	8.00	2007-08	Income Tax appellate tribunal (ITAT)
3	Income Tax Act, 1961	Tax	28.00	2010-11	Income Tax appellate tribunal (ITAT)
4	Income Tax Act, 1961	Tax	136.13	2011-12	Commissioner of Income Tax (appeals)
5	Income Tax Act, 1961	Tax	94.24	2012-13	Commissioner of Income Tax (appeals)
6	Customs Act	Customs Duty	142.09	August 2000 to July 2004	Supreme Court



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Sr. No.	Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
7	Central Excise Act & Service Tax	Service Tax	0.13	2007-08	Tribunal
8	Central Excise Act & Service Tax	Excise Duty	1.59	2009-10 to 2011-12	Dy. Comm
9	Central Excise Act & Service Tax	Service Tax	16.12	2005-06 to 2009-10	Assistant Commissioner – Service tax
10	MVAT	VAT	1.70	2006-07	Bombay High Court
11	MVAT	VAT	63.22	2007 to 2011	Joint Commissioner of Sale Tax

- viii. According to information and explanation given to us and based on examination of the records, the Company has not defaulted in repayment of loans or borrowings to bank. The Company does not have any dues to financial institution, government or debenture holders.
- xi. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the term loans obtained by the Company were applied for the purpose for which the loans were obtained.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.
- xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

**FOR KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W
Name: Ermin K. Irani**

**PARTNER
M. No. 35646**

Place: Mumbai
Date: May 16, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the standalone financial statements For the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **APCOTEX INDUSTRIES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company For the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

**FOR KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W**

**Ermin K. Irani
PARTNER
M. No. 35646**

Place: Mumbai
Date: May 16, 2016

**apcotex industries limited****BALANCE SHEET AS AT 31ST MARCH 2016**

₹ In Lacs

	Notes	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,040.80	522.35
Reserves and Surplus	3	10,278.41	9,452.95
		<u>11,319.21</u>	<u>9,975.30</u>
NON CURRENT LIABILITIES			
Long Term Borrowings	4	-	836.56
Deferred Tax Liability (Net)	5	468.02	558.50
Other Long Term Liabilities	6	138.27	132.60
Long Term Provisions	7	132.82	177.95
		<u>739.11</u>	<u>1,705.61</u>
CURRENT LIABILITIES			
Short Term Borrowings	8	1,687.83	1,439.24
Trade Payables	9		
a. total outstanding dues of micro enterprises and small enterprises		68.62	156.07
b. total outstanding dues of creditors other than micro enterprises and small enterprises		2,232.67	1,870.13
Other Current Liabilities	10	1,757.93	1,985.89
Short Term Provisions	7	1,429.00	933.82
		<u>7,176.05</u>	<u>6,385.16</u>
TOTAL ASSETS		<u>19,234.37</u>	<u>18,066.07</u>
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	5,769.70	6,298.74
Intangible Assets	11 B	22.07	26.52
Capital work-in-progress		477.72	187.60
		<u>6,269.49</u>	<u>6,512.86</u>
Non-current Investments	12	4,772.25	3,076.15
Long Term Loans and Advances	13	664.80	629.83
Other Non Current Assets	14	26.79	27.35
CURRENT ASSETS			
Inventories	15	2,000.30	1,522.20
Trade Receivables	16	4,619.18	4,870.38
Cash and Bank balances	17	481.96	442.83
Short Term Loans and Advances	13	270.38	557.82
Other Current Assets	18	129.22	426.66
		<u>7,501.04</u>	<u>7,819.88</u>
TOTAL Significant Accounting Policies	1	<u>19,234.37</u>	<u>18,066.07</u>
The accompanying Notes 1 to 45 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

₹ In Lacs			
	Notes	For the year ended 31st March 2016	For the year ended 31st March 2015
INCOME			
Revenue from Operations	19A	29,772.38	39,114.46
Less: Excise duty		3,072.11	3,777.60
Revenue from Operations (Net of excise duty)		26,700.27	35,336.86
Other Operating Revenue	19B	134.85	171.23
Other Income	20	735.25	557.54
TOTAL REVENUE		27,570.37	36,065.63
EXPENSES			
Cost of Materials Consumed	21A	17,776.80	24,880.94
Changes in Inventories of Finished Goods and Work in Progress	21B	(224.15)	139.45
Employee Benefit Expenses	22	1,521.63	1,410.26
Other Expenses	23	4,016.88	4,930.16
		23,091.16	31,360.80
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		4,479.20	4,704.83
Depreciation and Amortization Expense	24	894.44	897.71
Finance Cost	25	242.01	324.26
PROFIT BEFORE TAX		3,342.75	3,482.85
Less : Tax Expenses			
Current Tax		966.13	1,018.50
Deferred Tax	5	(90.48)	(3.71)
Total Tax Expenses		875.65	1,014.79
PROFIT AFTER TAX		2,467.10	2,468.06
Basic and Diluted Earnings per Equity Share of Rs 5/- each	42	11.90	11.90
Significant Accounting Policies	1		
The accompanying Notes 1 to 45 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
 Chartered Accountants
 Firm Registration Number: 104607W

ERMIN K. IRANI
 Partner
 Membership Number: 35646
 Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016



apcotex industries limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

₹ In Lacs

		For the year ended 31st March 2016	For the year ended 31st March 2015
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Profit Before Tax		3,342.75	3,482.85
Adjustments for :			
Depreciation and Amortization Expense		894.44	897.71
Finance Cost		242.01	324.26
Prov for Diminishing Value of Investments		16.00	-
Foreign Exchange Fluctuation Difference		56.17	67.46
Fixed Assets Written off		1.86	29.78
Loss / (Profit) on Sale of Assets		(0.20)	0.96
Bad Debts Written Off		21.56	9.33
Provision for Bad and Doubtful Debts		(21.56)	12.23
Loss / (Surplus) on Sale of Investment		(596.75)	(465.97)
Dividend Income		(39.60)	(24.27)
Interest received		(16.25)	(17.22)
Income from Investment Property		(50.20)	(37.66)
Excess Provision Written back		(38.97)	(43.67)
Operating Profit Before Working Capital Changes		3,811.26	4,235.79
Adjustments for :			
Increase / (Decrease) in Non Current Liabilities		(8.87)	40.98
Increase / (Decrease) in Current Liabilities		100.69	(187.13)
(Increase) / Decrease in Non Current Assets		(34.43)	(167.45)
(Increase) / Decrease in Current Assets		329.30	256.36
Cash Flow Generated from Operations		4,197.95	4,178.55
Direct taxes paid		(702.94)	(978.15)
Net Cash Flow from Operating Activities		3,495.01	3,200.40
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets		(653.88)	(757.19)
Sale of Fixed Assets		1.94	2.55
Purchase of Investments		(7,903.74)	(2,395.56)
Sale of Investments		6,659.07	2,314.85
Dividend Income		39.60	24.27
Interest received		16.25	17.22
Income from Investment Property		50.20	37.66
Net Cash Used in Investing Activities		(1,790.56)	(756.20)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds / (Repayment) of Short Term Borrowings (Net)		248.58	(854.93)
Repayment of Long Term Borrowings		(833.43)	(817.08)
Finance Cost paid		(246.07)	(334.20)
Dividends paid		(715.32)	(508.23)
Dividend Distribution Tax paid		(147.76)	(88.11)
Net Cash Used in Financing Activities		(1,694.00)	(2,602.55)
Net Increase/ (Decrease) in Cash and Cash Equivalents		10.45	(158.35)
Cash and cash equivalents as at 1st April 2015		372.45	530.80
Cash and cash equivalents as at 31st March 2016		382.90	372.45
		10.45	(158.35)

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities

2 Figures in the Bracket are outflows / deductions

3 Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.

As per our Report of even date

For KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration Number: 104607W

For and on behalf of Board of Directors

ATUL C. CHOKSEY Chairman (DIN00002102)

ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)

MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ERMIN K. IRANI

Partner

Membership Number: 35646

Mumbai : 16th May, 2016

ANAND V. KUMASHI

Company Secretary

ROHIT R MAHAKAL

Chief Financial Officer

Mumbai : 16th May, 2016

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Corporate Information note on business activity

Apcotex Industries Ltd. is one of the leading producers of Synthetic Lattices (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

The classification of assets and liabilities of the Company into current or non-current is based on the criteria specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the disclosures of contingent liabilities. Difference between actual results and the estimates are recognized in the period in which the results materialize / are known.

(iii) Fixed Assets and Depreciation / Amortization

a. Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Capital work-in-progress comprises of the cost of fixed assets that are not ready for their intended use at the reporting date. Profit or Loss on disposal of tangible assets is recognized in the Statement of Profit and Loss.

b. Depreciation & Amortization

On Tangible Assets:

The Company has provided depreciation on basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 consequent to Schedule II becoming applicable w.e.f 01st April 2014. The excess depreciation on tangible assets whose useful life is already exhausted as on 01st April 2014 is transferred to General Reserves (net of deferred taxes).

On Intangible Assets:

Intangible assets are amortized on SLM method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management.

- i. Computer Software – Written off over a period of three years

c. Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(iv) **Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

(v) **Investments**

Non-current investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

Current Investments are stated at lower of cost and fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on average cost basis.

(vi) **Inventory**

Inventories are valued at lower of Cost and Net Realizable Value.

The cost is determined as follows:

- (a) Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.
- (b) The finished goods inventory is valued at cost, or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties and other costs incurred in bringing the inventories to their present location and condition.
- (c) Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.
- (d) Stores, Spares and consumables are valued at cost, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities, if any.

Slow-moving and damaged, unserviceable stocks are adequately provided wherever considered necessary.

(vii) **Excise Duty :**

Excise Duty paid on goods manufactured by the Company is accounted for at the time of dispatch of goods from the factories.

Excise Duty payable on goods manufactured is accrued for stocks held in factories at the year-end. Excise Duty paid/payable on goods manufactured by the Company and remaining in stock, is included in the value of Finished Goods. Excise duty related to the difference between the closing stock and opening stock of Finished Goods is recognized in the Statement of Profit and Loss.

(viii) **Transactions in foreign exchange**

(a) **Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

(b) **Measurement of foreign currency items at the Balance Sheet date:**

Foreign currency denominated monetary assets & liabilities of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss. However exchange differences relating to fixed assets have been included in the carrying amount of fixed assets.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

In case of other forward exchange contracts, the difference between the transaction rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. However forward exchange contract relating to fixed assets have been included in the carrying amount of fixed assets.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(ix) Forward Exchange Contracts – Hedging

The company uses forward exchange contracts to hedge its foreign exchange exposures relating to the underlying transactions and firm commitments. The use of these foreign exchange forward and options contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. The premium on forward contracts taken for purchase of fixed assets are capitalized as the cost of the asset and the premium on other contracts is recognized over the life of the contract in the Statement of Profit or Loss.

(x) Employees' Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits:

Defined contribution plans :

Contribution towards plans like Employee State Insurance Scheme, Government administered Provident Fund and Pension Fund Scheme and Superannuation Scheme for eligible employees are made to the regulatory authorities and are classified as Defined Contribution Plans. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plans

The cost of providing benefit i.e. gratuity is determined using the Projected Unit Credit Method with actuarial valuation carried out as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. The fair value of the planned assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Other long-term employee benefits

Entitlements to annual privilege leave are recognized when they accrue to employees. Privilege leave can be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

(xi) Research and Development

(a) Capital expenditure is shown separately under respective heads of fixed assets. These assets are depreciated over their useful life.

(b) Revenue expenses are included under the respective heads of expenses.

(xii) Taxes on Income

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period in which such credit can be carried forward for set-off.

(xiii) Cash & Cash Equivalent:

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(xiv) Leases - Assets taken on operating lease

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term of the asset.



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(xv) Revenue Recognition:

- (a) Domestic sales are recognized at the point of dispatch of goods to customers, which is when risks and rewards of ownership are passed to the customers. Sales are inclusive of excise duty but net of trade discount and VAT /sales tax.
- (b) Export sales are recognized based on the bill of lading except sales to Nepal which are recognized when the goods cross the Indian Territory, which is when risks and rewards of ownership are passed to the customers.
- (c) Dividend income is recognized when the right to receive the same is established.
- (d) Interest and other income are recognized on accrual basis.
- (e) Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.
- (f) Insurance claims are recognized post filing of the claim with the insurer.

(xvi) Provisions and Contingencies:

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

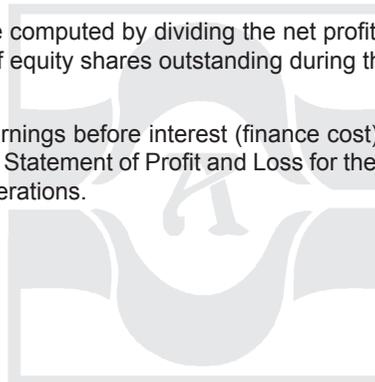
Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xvii) Earnings per Share

Basic and diluted earnings per share are computed by dividing the net profit after taxes attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

(xviii) Measurement of EBITDA

The Company has elected to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit / (loss) from continuing operations.



Annual Report 2015-16
Standalone

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of Rs. 5/- each.	1,497.00	1,497.00
500 Preference Shares of Rs. 100/- each.	0.50	0.50
50,000 Unclassified Shares of Rs. 5/- each.	2.50	2.50
	1,500.00	1,500.00
Issued, Subscribed and Paid up capital		
2,07,37,984 Equity Shares of Rs. 5/- (1,03,68,992 Equity Shares of Rs 5/-) each fully paid. (Including Rs. 3.90 lacs towards 78,051 shares forfeited at Rs.5/- each)	1,040.80	522.35
Total	1,040.80	522.35

Note:

a) The Company had wide resolution passed thru postal ballot on 12th September 2015, approved the issue of one bonus shares for every one equity share held in the company having face value of Rs 5/- each fully paid to the shares holders existing on record date i.e 24th September 2015. The shares were allotted on board meeting held on 25th September 2015 (Refer Note (e) below).

b) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	₹ In Lacs	No. of Shares	₹ In Lacs
At the beginning of the year	1,03,68,992	522.35	1,03,68,992	522.35
Add : Increase in the number of Shares on issue of bonus shares for every one equity shares during the year.	1,03,68,992	518.45	-	-
Outstanding at the end of the year	2,07,37,984	1040.80	1,03,68,992	522.35

c) Details of Shareholders holding more than 5% equity shares in the company

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No of Shares Face Value of ₹ 5 Each	% Holding	No of Shares Face Value of ₹ 5 Each	% Holding
Trivikram Investment & Trading Company Ltd.	39,53,976	19.07	19,76,988	19.07
Dhumraketu Investment & Trading Company Pvt. Ltd	33,37,269	16.00	16,59,557	16.00
Atul Champaklal Choksey	13,76,404	5.88	6,70,200	6.44
Saldhar Investment & Trading Company Pvt. Ltd	11,33,088	5.46	5,66,544	5.46

d) Rights, Preferences & Restrictions attached to Equity Shares:

The Company has one class of share having a par value of Rs 5 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

e) Aggregate number of shares & class of shares allotted as fully paid-up by way of Bonus Shares:

Financial Year 2015-16	As at 31st March 2016	As at 31st March 2015
No of Equity Shares	1,03,68,992	-
Face Value per Share	5.00	-
Total Face Value (Rs in Lacs)	518.45	-



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

		(₹ In Lacs)	
		As at 31st March 2016	As at 31st March 2015
NOTE 3 : RESERVES AND SURPLUS			
(a) Capital Redemption Reserve			
As per last Balance Sheet		34.30	34.30
Less: Utilised for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }		34.30	-
		-	34.30
(b) Share Premium			
As per last Balance Sheet		3,084.11	3,084.11
Less: Utilised for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }		484.15	-
		2,599.96	3,084.11
(c) General Reserve			
As per last Balance Sheet		2403.72	1,750.43
Add : Transfer from Statement of Profit and Loss		800.00	800.00
Less: Adjustment on account of excess depreciation as on 1st April 2014 *(Refer Note 3a below)		-	(146.71)
		3203.72	2,403.72
(d) Surplus in Statement of Profit and Loss			
As per last Balance Sheet		3,930.83	3,136.36
Add : Net profit after tax transferred from Statement of Profit and Loss		2,467.10	2,468.06
Amount available for appropriation		6,397.93	5,604.42
Less: Appropriations			
Dividend on Equity shares:			
- Proposed Dividend [Rs.4.50 per share of Rs 5/- each, (Previous year Rs. 7/- per share of Rs 5/- each)]		933.21	725.83
Dividend Distribution Tax		189.98	147.76
Transfer to General Reserve		800.00	800.00
		4,474.73	3,930.83
Total		10,278.41	9,452.95
*Note :			
a. Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation For the year ended March 31,2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of Rs 146.71 lacs (net of deferred tax of Rs 75.54) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to General Reserve.			

		(₹ In Lacs)	
		As at 31st March 2016	As at 31st March 2015
NOTE 4 : LONG TERM BORROWINGS			
Term Loan			
Secured			
From Bank		-	836.56
		-	836.56
Notes:			
1a. Borrowing are in the form of Term Loan (ECB) carrying an Interest rate of LIBOR + 2.5% to LIBOR + 3.5% and secured by hypothecation of the Company's entire Plant & Machinery by way of first charge;			
1b. Repayment - During November 2013, Company has taken forward cover through 'Call Option' for repayment of remaining principal instalments of ECB			

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

2. Repayment schedule of Term Loan:		(₹ In Lacs)
Financial Year		
2016-17	-	836.56
3. Default in terms of repayment of principal and interest – NIL;		
4. Foreign currency loan due for Repayment during the next twelve months considered in Other Current Liabilities is Rs. 836.56 lacs (Previous Year Rs 833.43 lacs)		

Note 5: DEFERRED TAX LIABILITY (NET)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2016 are as follows:

	As at 31st March 2016	As at 31st March 2015
(₹ In Lacs)		
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	495.60	565.28
Depreciation on Scientific Research Assets	31.78	41.29
Others	-	-
Total deferred tax liabilities	<u>527.38</u>	606.57
Deferred tax assets		
Provision for leave encashment	45.88	34.26
Provision for doubtful debts	-	7.33
Provision for bonus	13.48	6.48
Total deferred tax assets	<u>59.36</u>	48.07
Net Deferred tax liability/(assets)* (Refer Note 3(a))	<u>468.02</u>	558.50

	As at 31st March 2016	As at 31st March 2015
(₹ In Lacs)		
Note 6: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	138.27	132.60
	<u>138.27</u>	132.60

Note:

1. Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate of 9% p.a.

	Long -Term		Short -Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
(₹ In Lacs)				
NOTE 7. PROVISIONS				
Employee liabilities				
Leave Encashment	65.79	80.31	44.65	20.48
Proposed Dividend	-	-	933.21	725.83
Provision for Dividend Distribution Tax	-	-	189.98	147.76
Income Tax	67.03	97.64	261.16	39.75
	<u>132.82</u>	177.95	<u>1,429.00</u>	933.82



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 8 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Cash Credit/Working Capital Demand Loan	1,687.83	853.46
Packing Credit Foreign Currency Loan	-	585.79
	<u>1,687.83</u>	<u>1,439.24</u>
Note :-		
1. Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The CC/WDC/WCDL carry interest rate in range of 10.25% p.a. to 13.65% p.a. and packing credit facility carry interest rate in the range of 2.00% p.a. to 2.50% p.a.		
2. Default in terms of repayment of principal and interest – NIL.		

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	68.62	156.07
b. Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 43 for Details of due to Small, Medium Enterprises)	2,232.67	1,870.13
	<u>2,301.29</u>	<u>2,026.20</u>
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	3.54	3.42
Apcotex Solutions India Private Limited	79.10	-
Trivikram Investment & Trading Co. Ltd	(0.14)	3.42

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 10. OTHER CURRENT LIABILITIES		
Current Maturities of Long-term debt	836.56	833.43
Interest accrued but not due on borrowings	12.85	13.66
Statutory Payables -		
Central Sales Tax and VAT	2.01	5.13
Service Tax	3.09	3.05
Excise duty on Closing Stock	93.45	84.72
TDS under Income tax	23.20	32.17
Providend Fund, Profession Tax and ESIC	10.23	9.44
Payable to Employees		
Salaries & Wages	99.05	92.13
Bonus	39.25	20.57
Incentives	25.00	55.22

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
Gratuity	22.12	27.85
Unpaid/ Unclaimed dividend	55.32	44.81
Unclaimed Fixed Deposits and Interest thereon (Refer Note No. 10.2)	0.70	0.70
Other Liabilities		
Payable for Expenses	375.85	522.87
Payable for Capital Goods	69.72	75.13
Commission to Non Exe. Directors	29.01	31.53
Advances received from Customers	13.42	25.87
Outstanding Expenses	47.09	107.61
	1,757.93	1,985.89

Note 10.1: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund

Note 10.2: Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of Rs. 22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

NOTE 11A & 11B : FIXED ASSETS

(₹ In Lacs)

	Gross Block				Depreciation				Net Block Value		
	As at 01-04-2015	Additions	Deletions/ Adjustments	As at 31-03-2016	Upto 01-04-2015	Trf to Gen Res*	For the Year	Deletions/ Adjustments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
A. Tangible Assets :											
Leasehold Land	7.64		-	7.64	2.73	-	0.07	-	2.80	4.84	4.91
Buildings	2,513.71	13.73	-	2,527.44	821.12	-	70.73	-	891.85	1,635.59	1,692.60
Plant and Equipment	6,455.77	283.34	(111.60)	6,627.50	3,615.04	-	514.32	(110.82)	4,018.54	2,608.96	2,840.73
Scientific Research Equipments	309.67	0.79	(19.75)	290.71	188.22	-	29.48	(18.82)	198.87	91.84	121.48
Furnitures & office equipments	260.97	18.76	(2.71)	277.01	153.50	-	29.25	(1.37)	181.38	95.62	107.47
Vehicles	190.89	-	(0.13)	190.76	97.74	-	30.78	(0.13)	128.39	62.38	93.15
Electric & Pipe Fittings	1,739.16	39.80	(6.72)	1,772.24	757.63	-	181.12	(6.69)	932.05	840.19	981.53
Wind Turbine Generator	612.79	-	-	612.79	155.93	-	26.58	-	182.51	430.29	456.87
Total tangible assets	12,090.61	356.41	(140.91)	12,306.10	5,791.90	-	882.33	(137.83)	6,536.40	5,769.70	6,298.74
B. Intangible Assets :											
Computer Softwares	79.68	7.36	(0.02)	87.03	53.23	-	11.75	(0.02)	64.95	22.07	26.52
Total intangible assets	79.68	7.36	(0.02)	87.03	53.23	-	11.75	(0.02)	64.95	22.07	26.52
Total (A+B)	12,170.30	363.77	(140.93)	12,393.12	5,845.13	-	894.08	(137.85)	6,601.35	5,791.77	6,325.26
Previous year	12,028.04	698.86	(556.59)	12,170.30	5,248.87	222.25	897.40	(523.50)	5,845.02		
Capital Work-in-progress										477.72	187.60
										6,269.49	6,512.86

(Refer Note No. 3(a))



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

		(₹ In Lacs)	
		As at 31st March 2016	As at 31st March 2015
SCHEDULE 12: NON CURRENT INVESTMENTS			
(A)	INVESTMENT PROPERTY (at cost less accumulated depreciation)		
	Buildings given on Operating Lease:		
	Opening Gross Block	32.69	30.86
	Add: Additions during the year	-	1.83
	Closing Gross Block	32.69	32.69
	Less:		
	Opening Accumulated Depreciation	20.24	19.93
	Add: Depreciation for the year	0.36	0.31
	Closing Accumulated Depreciation	20.60	20.24
	Net Block (a)	12.09	12.45
(B)	LONG TERM INVESTMENTS		
1)	UNQUOTED		
i)	NON-TRADE INVESTMENTS		
	1 120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of Rs.10/- fully paid	16.00	16.00
	Less: Prov for Diminishing Value of Investment	(16.00)	-
		-	16.00
	2 Investment in Subsidiary:		
	Apcotex Solutions India Private Limited	3,016.51	-
	16099272 (P.Y. Nil) Equity share of Omnova Solution India Pvt. Ltd.of face value of Rs. 10 full paid		
		3,016.51	16.00
ii)	INVESTMENTS IN MUTUAL FUNDS		
	1 Nil Units (P. Y.203.746) Reliance Liquid Fund - Treasury Plan-Weekly Div	-	3.08
	2 94134.364 Units (P. Y. 94134.364Units) Birla Sun Life Frontline Equity Fund - Growth	59.88	59.88
	3 400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	40.00
	4 Nil Units (P. Y. 515685.914 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	-	90.97
	5 Nil Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	-	194.00
	6 Nil Units (P. Y. 137541.367 units) ICICI Prudential Value Discovery Fund - Reg Plan (G)	-	117.40
	7 767459.708 Units (P. Y. 2748674.592 units) of DWS Gilt Fund - Regular Growth	97.72	350.00
	8 370000 Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	37.00
	9 Nil Units (P. Y. 51399.854 units) of UTI Equity Fund - (Gr)	-	37.30
	10 575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	60.00
	11 Nil Units (P. Y. 16928.446 units) of Franklin India Prima Fund (G)	-	60.00
	12 Nil Units (P. Y. 161051.012units) of Franklin India Smaller Companies Fund - (Gr)	-	47.00
	13 460696.566 Units (P. Y. 333172.3 units) of SBI Bluechip Fund - Regular Plan (GR)	94.29	60.00

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

14	Nil Units (P. Y. 141333.434 units) of IDFC Sterling Equity Fund (GR)	-	30.00
15	21597.766 Units (P. Y. 21597.766 units) of HDFC Equity Fund (GR)	73.70	73.70
16	Nil Units (P. Y. 430356.66 units) of HDFC Mid-Cap Opportunities Fund - (GR)	-	117.40
17	Nil Units (P. Y. 95305.688 units) of Sundaram S.M.I.L.E. Fund - Reg Plan (Gr)	-	47.00
18	483040.687 Units (P. Y. Nil units) of Mirae Assets India Opportunities Fund - Regular - Growth Plan	154.30	-
19	684032.548 Units (P. Y. Nil units) of Kotak Select Focus Fund-Growth (Regular Plan)	154.30	-
20	Nil Units (P. Y. 1.22 units) of Pramerica Liquid Fund - Direct Plan - Wkly Divd	-	0.01
		771.19	1,424.74
2)	QUOTED		
i)	NON-TRADE INVESTMENTS		
1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of Re. 1/- fully paid	4.99	4.99
2	5000 (P. Y. 5000) Equity Shares of Axis Bank of the face value of Rs. 2/- fully paid	-	-
3	300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of Rs. 10/- fully paid	-	-
4	100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of Rs. 5/- fully paid	-	-
5	1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of Rs. 10/- fully paid	-	-
6	1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of Rs. 10/- fully paid	-	-
7	3225 (P. Y. 4975) Equity Shares of Lupin Ltd of the face value of Rs. 2/- fully paid	24.25	37.40
8	15800 (P. Y. 18050) Equity Shares of Axis Bank Ltd. of the face value of Rs. 2/- fully paid (Includes Stock Split 1:5)	38.07	35.76
9	12850 (P. Y. 23625) Equity Shares of United Phosphorous Ltd. of the face value of Rs. 2/- fully paid	20.60	37.87
10	Nil (P. Y. 12020) Equity Shares of ING Vysya Bank Ltd. of the face value of Rs. 10/- fully paid	-	75.84
11	5450 (P. Y. 15450) Equity Shares of Kajaria Ceramics Ltd. of the face value of Rs. 2/- fully paid	14.21	40.27
12	17750 (P. Y. 4975) Equity Shares of Cadila Healthcare Ltd. of the face value of Rs. 5/- fully paid	30.06	42.12
13	13568 (P. Y. 19208) Equity Shares of Tech Mahindra of the face value of Rs. 5/- fully paid	56.49	70.99
14	18900 (P. Y. 42900) Equity Shares of Havells India Ltd. of the face value of Rs. 1/- fully paid	31.36	71.19
15	Nil (P. Y. 3575) Equity Shares of Larsen & Toubro Ltd. of the face value of Rs. 2/- fully paid	-	44.61
16	11874 (P. Y. 5675) Equity Shares of Kotak Mahindra Bank of the face value of Rs. 5/- fully paid (Bonus 1:1)	50.28	45.49
17	100 (P. Y. 180) Equity Shares of MRF Ltd. of the face value of Rs. 10/- fully paid	20.79	37.43
18	9800 (P. Y. 9000) Equity Shares of Dalmia Bharat Ltd. of the face value of Rs. 2/- fully paid	52.80	40.19
19	6175 (P. Y. 7350) Equity Shares of Indusind Bank of the face value of Rs. 10/- fully paid	35.18	41.67
20	9625 (P. Y. 12625) Equity Shares of Raymond Ltd. of the face value of Rs. 10/- fully paid	41.97	55.05
21	Nil (P. Y. 3500) Equity Shares of Credit Analysis And Research of the face value of Rs. 10/- fully paid	-	45.59
22	9950 (P. Y. 16050) Equity Shares of PC Jeweller of the face value of Rs. 10/- fully paid	21.14	34.09
23	11050 (P. Y. 28725) Equity Shares of ICICI Bank Ltd of the face value of Rs. 2/- fully paid	38.67	90.10



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

24	4375 (P. Y. 4300) Equity Shares of MCX India of the face value of Rs. 10/- fully paid	38.34	37.69
25	60650 (P. Y. 47550) Equity Shares of Ashok Leyland of the face value of Re. 1/- fully paid	49.58	32.05
26	41579 (P. Y. 84654) Equity Shares of KEC International Ltd. of the face value of Rs. 2/- fully paid	30.21	61.51
27	80850 (P. Y. Nil) Equity Shares of Kirloskar Ferroc Ind. Ltd. of the face value of Rs. 5/- fully paid	42.77	-
28	6315 (P. Y. Nil) Equity Shares of Mahindra Life SPA.. of the face value of Rs. 10/- fully paid	25.92	-
29	3540 (P. Y. 6894) Equity Shares of Zensar Tech of the face value of Rs. 10/- fully paid	10.05	19.57
30	42850 (P. Y Nil) Equity Shares of Deepak Nitrite of the face value of Rs. 2/- fully paid	28.42	-
31	21735 (P. Y. 21735) Equity Shares of Kalpataru Power Transmission Ltd of the face value of Rs. 2/- fully paid	24.49	24.49
32	5995 (P. Y. Nil) Equity Shares of Ramco Cements of the face value of Rs. 1/- fully paid	20.49	
33	11200 (P. Y. Nil) Equity Shares of Network 18 of the face value of Rs. 5/- fully paid.	6.11	
34	11220 (P. Y. 22040) Equity Shares of Godrej Properties of the face value of Rs. 5/- fully paid	27.08	53.19
35	Nil (P. Y. 40545) Equity Shares of IDFC Ltd of the face value of Rs. 10/- fully paid	-	62.86
36	29752 (P. Y. 9750) Equity Shares of Coromandel International Ltd of the face value of Re. 1/- fully paid	65.24	23.68
37	1950 (P. Y. 1950) Equity Shares of Bajaj Finserv Ltd of the face value of Rs. 5/- fully paid	20.59	20.59
38	4875 (P. Y. Nil) Equity Shares of Biocon Ltd. of the face value of Rs. 5/- fully paid	21.55	-
39	48925 (P. Y. 171650) Equity Shares of TV18 Broadcast Ltd. of the face value of Rs. 2/- fully paid	14.82	52.01
40	Nil (P. Y. 1225) Equity Shares of Bajaj Finance Ltd of the face value of Rs. 10/- fully paid	-	25.08
41	Nil (P. Y. 23750) Equity Shares of Cox and Kings Ltd of the face value of Rs. 5/- fully paid	-	49.45
42	Nil (P. Y. 1125) Equity Shares of Dr Reddy Laboratories Ltd of the face value of Rs. 5/- fully paid	-	30.09
43	Nil (P. Y. 5400) Equity Shares of Glenmark Pharmaceuticals Ltd of the face value of Re. 1/- fully paid	-	32.00
44	Nil (P. Y. 15725) Equity Shares of ITC Ltd of the face value of Re. 1/- fully paid	-	50.02
45	Nil (P. Y. 118450) Equity Shares of PTC India Financial Services Ltd of the face value of Rs. 10/- fully paid	-	53.62
46	Nil (P. Y. 1425) Equity Shares of Shriram Transport Finance Co. Ltd., of the face value of Rs. 10 fully paid	-	12.58
47	27325 (P. Y. Nil) Equity Shares of Greeves Cotton Ltd of the face value of Rs. 2/- fully paid	37.45	-
48	Nil (P. Y. 11650) Equity Shares of Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	-	75.14
49	Nil (P. Y. 18400) Equity Shares of Tata Motors Ltd DVR Shares of the face value of Rs. 2/- fully paid	-	56.68
50	12500 (P. Y. nil) Equity Shares of JMC Projects Shares of the face value of Rs. 10/- fully paid	24.35	
51	552 (P. Y. Nil) Equity Shares of Vardhman Textiles of the face value of Rs. 10/- fully paid	4.14	
		972.46	1,622.96
	Total of Long Term Investments (B)	4,760.16	3,063.70
	Total (A+B)	4,772.25	3,076.15

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)		
AGGREGATE MARKET VALUE OF INVESTMENTS	As at 31st March 2016	As at 31st March 2015
QUOTED INVESTMENTS	1,354.34	2,791.59

(₹ In Lacs)				
	Long Term		Short Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	53.37	34.85	-	-
Sundry deposits	282.51	282.33	-	-
	335.88	317.18	-	-
B. Other loans and advances				
Advances to Vendors	-	-	66.61	154.61
Balance with Excise and service tax	-	-	201.50	401.44
Excise Duty under protest	5.36	2.04	-	-
Payments under protest-Sales Tax	10.02	-	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	105.22	102.28	-	-
Advances to employees	-	-	2.27	1.77
	328.92	312.65	270.38	557.82
	664.80	629.83	270.38	557.82

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 14: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	-	21.56
Less:- Provision for Doutful Debt	-	(21.56)
'Net	-	-
Fixed Deposits with Banks	-	5.09
Sales Tax Refund Receivable	26.79	22.26
	26.79	27.35

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 15: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	915.41	721.77
(b) Packing materials	65.36	30.46
(c) Finished goods	727.89	509.17
(d) Work-in-progress	42.33	36.89
(e) Stores, spares and consumables	249.33	223.90
	2,000.30	1,522.20



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 16: TRADE RECEIVABLES (Unsecured and considered good)		
Overdue for more than six months	20.30	0.18
Others	4,598.88	4,870.20
	4,619.18	4,870.38
Note:- Amount due from private company in which any director is a director of that company		
(i) Apcotex Solutions India Private Limited	0.39	-
(ii) Choksey Chemical Pvt. Ltd	19.93	35.95

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	3.06	5.40
(b) Balances with Banks :		
(i) Balances with Bank Accounts	277.31	233.80
(ii) EEFC A/c	97.53	128.24
(c) Investment in Liquid Mutual Funds (Refer Note No. 17.1)	5.00	5.00
	382.90	372.45
B. Other bank balances-earmarked		
(i) Margin money deposit	55.32	44.81
(i) Unpaid dividend	43.74	25.58
(ii) Deposit with bank - Margin	481.96	442.83

NOTE 17.1

(₹ In Lacs)

Details of Investment in Liquid Mutual Funds	As at 31st March 2016	As at 31st March 2015
Unquoted		
Investments in Mutual Funds:		
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
	5.00	5.00

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 18: OTHER CURRENT ASSETS (Unsecured and Considered Good)		
Interest Receivable (Refer Note 18.1)	12.23	5.86
Discount Receivable	5.45	95.96
Octroi Receivable	0.62	0.62
Excise Duty Refund (Exports)	17.97	246.34
Export Incentive Receivable	9.98	58.88
Other Receivables	82.97	19.00
	129.22	426.66

Note 18.1:

Interest Receivable inclusive of Interest Receivable of Rs.7.11 Lacs (Previous year NIL) from Apcotex Solutions India Private Limited.

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	26,145.63	32,215.00
(b) Exports	3,626.75	6,899.46
Turnover	29,772.38	39,114.46
Less: Excise duty	3,072.11	3,777.60
Sale of products	26,700.27	35,336.86
(B) Other operating revenues:		
(a) Scrap sales	7.34	7.61
(b) Export Incentives	92.68	152.20
(c) Insurance Claim	18.38	3.31
(d) Other Income	16.45	8.13
	134.85	171.23
	26,835.12	35,508.10

Note:-

Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods manufactured by the company.

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 20: OTHER INCOME		
(a) Interest Income	16.25	17.22
(b) Dividend Received	39.60	24.27
(c) Surplus on sale of Non- Current Investments	596.75	444.17
(d) Income from rent	50.20	37.66
(e) Other Income	0.08	3.43
(f) Foreign Exchange Fluctuation Difference	32.37	30.78
	735.25	557.53

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	721.77	759.00
Add : Purchases	17,086.39	23,751.36
	17,808.16	24,510.35
Less: Sale of Raw Materials	-	-
	17,808.16	24,510.35
Less: Closing Stock Raw Materials	(915.41)	(721.77)
	16,892.75	23,788.58
Packing Materials Consumed		
Opening Stock	30.46	27.43
Add : Purchases	918.94	1,095.38
	949.40	1,122.81
Less : Closing Stock Packing Materials	(65.36)	(30.46)
	884.05	1,092.35
Loss of Material	-	-
	17,776.80	24,880.94



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS.		
Stock at the beginning of the year		
Finished Goods	509.17	587.28
Work-in-Progress	36.89	98.24
Total (A)	546.06	685.52
Stock at the end of the year		
Finished Goods	727.89	509.17
Work-in-Progress	42.33	36.89
Total(B)	770.21	546.06
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS (B-A)	(224.15)	139.45

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries ,wages and allowances	1,138.39	1,070.82
Wages and allowances to Contract Labour	145.14	126.70
Contribution to Provident and other Funds	89.31	88.73
Staff welfare expenses	148.80	124.00
	1,521.63	1,410.26

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 23 : OTHER EXPENSES		
Stores and spares consumed	128.40	153.89
Power and fuel (Net of Income from Windmill operations of Rs 61.15 Lacs) (Previous Year Rs 68.86 Lac)	611.19	642.94
Repairs and Maintenance		
Buildings Repairs and Maintenance	285.93	567.86
Machinery Repairs and Maintenance	59.32	63.89
Other assets Repairs and Maintenance	156.58	177.10
Rent	14.26	38.35
Rates and taxes	76.39	138.08
Insurance	38.05	33.95
Sales Discount & Rebates	331.20	354.30
Freight and transport charges	975.06	1,100.75
Advertisement	34.07	16.11
Printing, Stationary, & Communication charges	52.19	51.58
Travelling Expenses		
Directors Travelling Expenses	78.48	81.35
Others Travelling Expenses	158.70	127.78
Commission on sales	139.94	171.23
Loss/(Gain) on sale of Fixed Assets	(1.34)	0.96
Fixed Assets Written off	1.86	29.78
Bad Debts Written off	21.56	9.33
Provision for Bad & Doubtful Debts	(21.56)	12.23
Donation	3.30	26.91
Bank Charges	58.35	76.27

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Miscellaneous expenses	605.60	554.11
Prov for Diminishing Value of Investments	16.00	-
Commission to Non Executive Directors	29.01	31.53
Directors' meeting fees	10.00	9.00
Auditors Remuneration (Ref. Note No. 28)	7.53	7.95
Professional Fees	185.78	491.43
Excess Provision written back	(38.97)	(43.67)
Prior year Expenses (Net) (Refer Note No 29)	-	5.15
	4,016.88	4,930.16

NOTE:

- Miscellaneous expenses include Excise duty of Rs 8.61 lacs (*Previous year Rs 30.18 lacs*) being the difference of excise duty between the opening & closing stock of finished goods.
- The Company was required to spend an amount of ₹ 46.35 Lacs (P.Y. ₹ 34.00 Lacs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 29.76 Lacs (P.Y. ₹ 30.63 Lacs) only.

The Concerned Expenditure has been debited to the following Heads as below :

(₹ in Lacs)			
Head where the concerned Expenditure is debited	(i) Construction / Acquisition of any asset	(ii) On purposes other than (i)	Total
Donation	-	29.76	29.76
		<i>(26.16)</i>	<i>(26.16)</i>
Miscellaneous Expenses	-	-	-
		<i>(4.47)</i>	<i>(4.47)</i>
Total Expenditure	-	29.76	29.76
		<i>(30.63)</i>	<i>(30.63)</i>
Yet to be Spent	-	16.59	16.59
		<i>(3.37)</i>	<i>(3.37)</i>
Total Eligible Amount	-	46.35	46.35
		<i>(30.63)</i>	<i>(34.00)</i>

(Previous year's figures have been shown in brackets and italics)

(₹ In Lacs)		
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	882.33	891.49
Depreciation on Intangible Assets (Refer Note 11 B)	11.75	5.91
Depreciation on Investment Property (Refer Note 12 A)	0.36	0.31
	894.44	897.71

(₹ In Lacs)		
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 25 : FINANCE COST		
Interest on Borrowings	231.99	315.14
Other Finance costs	10.02	9.12
	242.01	324.26

26. Estimated amount of contracts to be executed on capital account and not provided for **Rs.60.25 lac** (Net of advances of **Rs. 15.88 lac**) [(P.Y. Rs. 242.06 lac (Net of Advances of Rs. 34.85 lac)].



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] ₹ 815.89 lac (P.Y. ₹ 536.15 Lac).

(₹ In Lacs)

Particulars	As at 31 st March 2016	As at 31 st March 2015
Income tax liability on account of disputed liability	270.12	528.22
Excise duty, Service Tax and Customs	159.93	159.93
Open Letters of Credit	24.98	-
Bank Guarantee with Sales Tax Department	360.86	55.86

27.1 Income Tax liability of Rs. Nil (Previous Year Rs. 208.33 lac) is in respect of capital gains.

27.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of Rs. 142.09 lac each for a dispute regarding high sea sales. The Company has paid the demand of Rs. 142.09 lac in the year 2011-12 and has claimed the same as deduction in the year financial year 2011-12. Balance penalty amount of Rs. 142.09 lac has been disclosed as contingent.

28. Auditors Remuneration

(₹ In Lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Statutory Audit	6.50	5.50
Tax Audit	-	1.50
Certification fees and other services	0.65	0.70
Reimbursement of Expenses	0.38	0.25
Total	7.53	7.95

*(Net of Service Tax)

29. RESEARCH AND DEVELOPMENT EXPENDITURE

(₹ In Lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Capital Expenditure	0.79	4.23
Revenue Expenditure	189.60	148.60
Total	190.39	152.83

30. Prior Period Items

(₹ In Lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Prior period expenses		
Salary, Wages & Allowances	-	1.54
Freight and Transport Charges	-	5.21
Miscellaneous Expense	-	2.92
Sub Total (A)	-	9.67
Prior period income		
Other income	-	0.02
Miscellaneous Income	-	0.66
Purchase Raw Material	-	2.95
Purchase Packing Material	-	0.89
Sub Total (B)	-	4.52
Grand Total (A-B)	-	5.15

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

31. Value of Imports on CIF basis:

(₹ in Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Raw materials	3405.92	4690.67
Stores and spares	1.64	6.93

32. Details of imported and indigenous raw materials, components and spare parts consumed during the financial year:

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	% to Total	For the year ended 31st March 2015	% to Total
Raw Materials:				
Imported	3,557.02	20.00	5,097.29	20.49
Indigenous	14,219.78	80.00	19,783.65	79.51
	17,776.80	100.00	24,880.94	100.00
Stores and Spares:				
Imported	7.55	5.89	9.45	6.14
Indigenous	120.85	94.11	144.44	93.86
	128.40	100.00	153.89	100.00

33. Value of Raw Material Consumed

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Monomers	14,327.18	20,674.62
Others	3,449.62	4,206.32
Total	17,776.80	24,880.94

34. Capitalisation of Exchange Rate differences on Foreign Currency Loan.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Premium on swap on Foreign Currency Loan	121.67	180.16
Total	121.67	180.16

35. Earning in foreign currency

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Export of Goods on F.O.B. basis	3,400.91	6,566.37

36. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
a. Professional Fees (including reimbursement)	13.37	18.33
b. Interest	68.38	92.45
c. Foreign Travel	109.30	103.30
d. Sales Commission	0.00	43.04
e. Others	1.31	0.90



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

37. Details on Derivatives Instruments and Un-hedged foreign currency exposures:

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	2	-	3	-
USD	15,25,750	-	29,98,970	-
INR Equivalent (Rs. in Lac)	964.91	-	1,877.23	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31 st March 2016	As at 31 st March 2015
Total Number of Contracts	1	1
Principal Notional Amount US \$	13,37,000	26,69,000
Maturity Period	Upto 1 Years	Upto 2 Years

(ii) The foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	USD	₹ in Lacs	USD	₹ in Lacs
Trade and Other Payables	4,72,154	320.58	2,17,252	110.00
Receivables : Trade Receivables	9,21,081	610.56	9,54,915	597.69

38. Segment Information

The Company operates in a single primary business segment, i.e. leading producers of Synthetic Lattices and Synthetic Rubber. Therefore, the separate segment information on primary segment is not given in terms of the accounting standard 17, on 'segment reporting' issued by the Institute of Chartered Accountants of India. The information pertaining to the company's secondary segment i.e. geographical is given below:

Secondary Segment Information:

The Company's operations are managed from India. The principal geographical areas in which the Company operates are India, Middle East and Asian Countries.

Secondary segment information with respect to geographical location

(₹ in Lacs)

Particulars	Revenue for the year ended 31 st March, 2016	Trade Receivable as at 31 st March, 2016	Revenue for the year ended 31 st March, 2015	Trade Receivable as at 31 st March, 2015
India	26,145.63	4,008.62	32,215.00	4,272.69
Outside India	3,626.75	610.56	6,899.46	597.69
Total	29,772.38	4,619.18	39,114.46	4,870.38

39. Related Party Transaction Disclosures:

(I) As per requirement of Accounting Standard for Related Party transactions (AS 18) issued by ICAI:

A. Names of Related Parties and nature of relationship

(Related Parties and the transactions with Related Parties are identified by the management and relied upon by Auditors)

(i) Person(s) having controlling interest

a) Shri Atul C. Choksey – Chairman & Non-Executive Director

(ii) Enterprises directly controlled by the company(subsidiary company)

a) Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solutions India Pvt Ltd.)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(iii) Enterprises over which the Company's Directors Exercise significant influence

- a) Abhiraj Trading & Investments Pvt. Limited
- b) Aeonian Investments Company Limited
- c) Amisha Buildcon Private Limited
- d) Apco Enterprises Limited
- e) Aquamarine Trading & Investments Pvt. Limited
- f) Aquamarine Investment Managers LLP
- g) Balasesh Leafin Limited
- h) Bhuvantray Investments & Trading Co. Pvt. Limited
- i) Choksey Structural Engineering Private Limited
- j) Choksey Chemical Pvt. Limited
- k) Cons Holdings Limited
- l) Cybele Paradise Pvt Ltd
- m) Dhumraketu Investments & Trading Company Pvt.Ltd.
- n) Forest Hills Trading & Investments Pvt. Limited
- o) Gauriputra Investments & Trading Co. Pvt. Limited
- p) Haridwar Trading & Investments Pvt. Limited
- q) HMP Mineral Pvt. Limited
- r) Joshimath Trading & Investments Pvt. Limited
- s) Laxmanjhula Trading & Investments Pvt. Limited
- t) Mazda Colours Limited
- u) Propycon Trading & Investments Private Limited
- v) Saldhar Investments & Trading Company Pvt. Limited
- w) Sammelan Investments & Trading Limited
- x) Shyamal Finvest (India) Limited
- y) Hindustan Mineral Products Co. Limited
- z) Titan Trading & Agencies Limited
- aa) Trivikram Investments & Trading Company Limited

(iv) Key Management Personnel and their relatives :

- a) Shri. Abhiraj A. Choksey - Managing Director - Key Management Personnel

B. Related Party Disclosure

(₹ in Lacs)

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
Income					
a. Sale of Goods					
	1. Choksey Chemicals Pvt. Ltd		0.39	73.16	
	2. Apcotex Solution Pvt Ltd. (Omnova Solutions India Pvt. Ltd.)		(-)	(118.65)	
b. Rent Income					
	1 Aquamarine Investment Manager LLP			0.37	
				(-)	



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
c. Interest on ICD					
1.	Apcotex Solutions India Pvt Ltd. (formerly known as Omnova Solutions India Pvt. Ltd.)		7.90 (-)		
Expenses					
a. Rent and Other expenses (Reimbursement)					
	Apco Enterprises Limited			12.07 (8.70)	
	Trivikram Investment & Trading Co. Ltd			1.80 (3.42)	
b. Remuneration					
	Shri. Abhiraj A. Choksey				104.01 (85.16)
c. Reimbursement of Medical Expenses					
	Shri. Atul C. Choksey		1.62 (1.78)		
d. Commission to Non-Executive Directors					
	Shri. Atul C. Choksey		27.52 (25.53)		
e. Purchase Of Goods					
	Apcotex Solutions India Pvt Ltd. (formerly known as Omnova Solutions India Pvt. Ltd.)		79.10 (-)		
Others					
a.	Inter Corporate Deposits Apcotex Solutions India Pvt Lid (formerly known as Omnova Solutions India Pvt. Ltd.)		600.00 (-)		
b.	Corporate Guarantee given for loan taken by Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solutions India Pvt. Ltd.)		5000.00 (-)		

(Previous year's figures have shown in brackets and italics)

C. Closing Balances

(₹ In Lacs)					
Sr. No.	Name of the related Party	Perons having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance					
a.	Apco Enterprises Limited			3.54 (3.42)	
b.	Trivikram Investment & Trading Co. Ltd			1.22 (3.42)	

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

Sr. No.	Name of the related Party	Perons having controlling Interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
c.	Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solution India Pvt Ltd)		79.10 (-)		
d.	Shri. Abhiraj A. Choksey – Salary Payable				6.85 (4.50)
e..	Shri. Atul C. Choksey – Commission Payable	23.01 (25.53)			
Outstanding Receivable Balance					
a.	Choksey Chemicals Pvt Ltd			19.93 (35.95)	
b.	Apcotex Solution India Pvt Ltd (formerly known as Omnova Solution India Pvt Ltd)		7.50 (-)		

(Previous year's figures have shown in brackets and italics)

II) Disclosures as per Regulation 34(3) of SEBI (Listing Obligations & Disclosures Requirement Regulation, 2015).

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/advance/Investments outstanding during the year.	
1.	Loans and advances in the nature of Loans to subsidiary :	Apcotex Solutions India Private Limited	
		1 At the year end	Nil
		2 Maximum amount of ICD/Loans given during the year	775.00

40. Disclosure as per Accounting Standard 15 (Revised)

i. Contribution to Defined Contribution Plans

Payment for Employers Contribution to Provident Fund, recognized as expenses is Rs. 21.99 lacs.

ii. Contribution to Defined Benefit Plans

The following table sets out the status of the Gratuity Plan as required under AS 15 (Revised).

(₹ In Lacs)

	31 st March 2016	31 st March 2015
Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the year	192.31	171.03
Interest Cost	15.38	15.94
Current Service Cost	16.20	11.60
Past Service Cost	(18.09)	-
(Benefits Paid)	(8.23)	(19.98)
Actuarial (Gain)/Loss on obligations	24.44	13.72
Present Value of Benefit Obligation at the end of the year	222.01	192.31
Fair Value of Plan Assets		
Fair Value Of Plan Assets at the beginning of the year	164.45	152.65
Expected Return on Plan Assets	13.16	14.23
Contributions	27.72	15.54
(Benefits Paid)	(8.23)	(19.98)
Actuarial Gain/(Loss) on Plan Asset	2.79	2.01
Fair Value of Plan Asset at the end of the year	199.89	164.45



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	31 st March 2016	31 st March 2015
Recognition of Actuarial Gain / Losses		
Actuarial (Gain)/Loss for the year – Obligation	24.44	13.72
Actuarial (Gain)/Loss for the year – Plan Asset	(2.79)	(2.01)
Total (Gain)/Loss for the year	21.65	11.71
Actuarial (Gain)/Loss recognized in the year	21.65	11.71
Expenses Recognized in the Statement of Profit & Loss A/c		
Current Service Cost	16.20	11.60
Past Service Cost	(18.08)	-
Interest Cost	15.38	15.94
(Expected Return on Plan assets)	(13.16)	(14.23)
Actuarial (Gain)/Loss	21.65	11.70
Expenses Recognized in the Statement of Profit & Loss	21.99	25.01
Amount to be recognized in the Balance Sheet		
Present Value of Obligation as at the end of the year	(222.01)	(192.30)
Fair value of plan asset as at the end of the year	199.89	164.45
Net Asset/(Liability) recognized in the Balance sheet	(22.12)	(27.85)
Actuarial Assumptions		
Discount Rate	8.06%	8.00%
Salary Escalation	7.50%	8.50%
Rate of Return on Plan Assets	8.06%	8.00%
Investment details		
Insurer Managed Fund	100.00%	100.00%
Total	100.00%	100.00%

The estimates of future salary increases, considered in actuarial valuations, take account of inflation, seniority, promotions, and other relevant factors, such as supply demand in the employment market.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in market scenario.

(₹ in Lacs)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2013	Year ended 31 st March 2014	Year ended 31 st March 2015	Year ended 31 st March 2016
Defined Benefit Obligations	(126.01)	(149.59)	(171.03)	(192.30)	(222.01)
Plan Assets	98.78	106.92	152.65	164.45	199.89
Surplus/(Defecit)	(27.23)	(42.67)	(18.38)	(27.85)	(22.12)

41. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles. These Lease Agreements provide for cancellation by either party thereto as per the terms and condition of the agreement. The lease rental recognized in the profit and loss during year & the lease agreements obligations for the period is as per given table.

(₹ in Lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Lease payment recognized in P&L	9.67	6.93
Future Lease Commitments		
- Within one year	8.89	9.34
- Later than one year and not later than Five years	17.26	26.15

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

42. Earnings per Share:

	For the year ended 31st March 2016	For the year ended 31 st March 2015
(i) Profit computation for both basic and diluted earnings per equity share of Rs.5 each. Net profit as per Statement of profit and loss available for equity Shareholders (Rs in Lac)	2,467.10	2,468.06
(i) Number of Equity Shares*	2,07,37,984	2,07,37,984
(ii) Earning per equity share Basic & Diluted (in Rupees)	11.90	11.90

*The equity shares of the Company having face value of Rs. 5 each allotted as fully paid up by way of bonus share. In accordance with AS 20 – Earnings Per Share, the earnings per share For the year ended 31st March 2015 have been presented based on the revised number of shares.

43. Micro & Small enterprises as defined under the Macro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs. 68.62 (Previous Year: Rs. 156.07). The disclosure pursuant to MSMED Act based on the books of account are as under :

(₹ in Lacs)

	For the year ended 31st March 2016	For the year ended 31 st March 2015
Dues remaining unpaid		
Principal	68.62	156.07
Interest	-	0.69
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

44 Acquisition & Amalgamation of wholly owned Company

- a. On 05th February 2016, company acquired the entire share-holding (No. of Shares – 1,60,99,272) of Omnova Solutions India Private Limited from “Omnova Solutions India France Holding SAS” & “Omnova Solutions SAS France”. The name of wholly owned subsidiary company i.e. Omnova Solutions India Private Limited was changed to Apcotex Solutions India Private Limited w.e.f 05th March 2016.
 - b. On 22nd April 2016, Board of Directors approved the scheme of Amalgamation of wholly owned subsidiary company viz. Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. The necessary documents have been filed with stock exchanges for their consent before filing the petition with Honorable High Court judicature at Bombay.
45. Previous year's figures have been have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016



apcotex industries limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APCOTEX INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **APCOTEX INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and the consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears

- from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated 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 consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”;and
- 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:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 27 to the consolidated financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group Companies incorporated in India.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W**

**Ermin K. Irani
Partner
M. No.: 35646**

Place: Mumbai
Dated: May 16, 2016



apcotex industries limited

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para (f) of 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended March 31, 2016.

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **APCOTEX INDUSTRIES LIMITED** (hereinafter refer to as the "Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting

criteria established by the Holding Company and its subsidiary companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg.No.104607W**

**Ermin K. Irani
PARTNER
MembershipNo. 35646**

Place: Mumbai
Date: May 16, 2016





apcotex industries limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

₹ In Lacs

	Notes	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,040.80	522.35
Reserves and Surplus	3	17,680.88	9,452.95
		18,721.68	9,975.30
NON CURRENT LIABILITIES			
Long Term Borrowings	4	-	836.56
Deferred Tax Liability (Net)	5	-	558.50
Other Long Term Liabilities	6	138.27	132.60
Long Term Provisions	7	198.82	177.95
		337.09	1,705.61
CURRENT LIABILITIES			
Short Term Borrowings	8	1,705.08	1,439.24
Trade Payables	9		
a. total outstanding dues of micro enterprises and small enterprises		166.58	156.07
b. total outstanding dues of creditors other than micro enterprises and small enterprises		3,246.91	1,870.13
Other Current Liabilities	10	3,184.72	1,985.89
Short Term Provisions	7	1,443.76	933.82
		9,747.05	6,385.16
TOTAL ASSETS		28,805.82	18,066.07
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	8,954.21	6,298.74
Intangible Assets	11 B	31.06	26.52
Capital work-in-progress		488.55	187.60
		9,473.82	6,512.86
Non-current Investments	12	1,780.67	3,076.15
Deferred Tax Asset (Net)	5	672.96	-
Long Term Loans and Advances	13	1,061.99	629.82
Other Non Current Assets	14	605.20	27.35
CURRENT ASSETS			
Inventories	15	4,333.85	1,522.20
Trade Receivables	16	8,384.08	4,870.38
Cash and Bank balances	17	981.08	442.83
Short Term Loans and Advances	13	740.58	557.82
Other Current Assets	18	771.59	426.66
		15,211.18	7,819.88
TOTAL		28,805.82	18,066.07
Significant Accounting Policies	1		

The accompanying Notes 1 to 44 are an integral part of the Financial Statements

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

₹ In Lacs

	Notes	For the year ended 31st March 2016	For the year ended 31st March 2015
INCOME			
Revenue from Operations	19A	32,868.02	39,114.46
Less: Excise duty		3,375.50	3,777.60
Revenue from Operations (Net of excise duty)		29,492.52	35,336.86
Other Operating Revenue	19B	153.35	171.23
Other Income	20	827.83	557.54
TOTAL REVENUE		30,473.70	36,065.63
EXPENSES			
Cost of Materials Consumed	21A	19,418.64	24,880.94
Changes in Inventories of Finished Goods and Work in Progress	21B	(37.61)	139.45
Employee Benefit Expenses	22	1,707.61	1,410.26
Other Expenses	23	4,614.66	4,930.16
		25,703.30	31,360.80
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		4,770.40	4,704.83
Depreciation and Amortization Expense	24	939.62	897.71
Finance Cost	25	243.05	324.26
PROFIT BEFORE TAX		3,587.73	3,482.85
Less : Tax Expenses			
Current Tax		966.13	1,018.50
Deferred Tax	5	(1231.46)	(3.71)
Total Tax Expenses		(265.33)	1,014.79
PROFIT AFTER TAX		3,853.06	2,468.06
Basic and Diluted Earnings per Equity Share of Rs 5/- each	41	18.58	11.90
Significant Accounting Policies	1		
The accompanying Notes 1 to 44 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016



apcotex industries limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

		For the Year ended 31st March 2016	For the Year ended 31st March 2015
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Profit Before Tax	3,587.73	3,482.85
	Adjustments for :		
	Depreciation and Amortization Expense	939.62	897.71
	Finance Cost	250.95	324.26
	Prov for Diminishing Value of Investments (PL)	16.00	-
	Foreign Exchange Fluctuation Difference	48.54	67.45
	Fixed Assets Written off	1.86	29.78
	Loss / (Profit) on Sale of Assets	111.19	0.96
	Bad Debts Written Off	21.56	9.33
	Provision for Bad and Doubtful Debts	(21.56)	12.23
	Impairment on tangible assets/ Written back	(539.72)	-
	Assets Written off	425.00	-
	Loss / (Surplus) on Sale of Investment	(596.75)	(465.98)
	Dividend Income	(39.60)	(24.27)
	Interest received	(115.10)	(17.22)
	Income from Investment Property	(50.20)	(37.66)
	Excess Provision Written back	(38.97)	(43.67)
	Operating Profit Before Working Capital Changes	4,000.55	4,235.79
	Adjustments for :		
	Increase / (Decrease) in Non Current Liabilities	57.14	40.99
	Increase / (Decrease) in Current Liabilities	2,752.79	(187.13)
	(Increase) / Decrease in Non Current Assets	(1,010.61)	(167.45)
	(Increase) / Decrease in Current Assets	(6,923.59)	256.36
	Cash Flow Generated from Operations	(1,123.71)	4,178.55
	Direct taxes paid	(702.35)	(978.15)
	Net Cash Flow from Operating Activities	(1,826.07)	3,200.40
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed assets	(4,004.09)	(757.19)
	Sale of Fixed Assets	55.27	2.55
	Purchase of Investments	(4,912.16)	(2,395.56)
	Capital Reserve on Consolidation (excluding cash taken over)	5,546.33	-
	Sale of Investments	6,659.06	2,314.85
	Dividend Income	39.60	24.27
	Interest received	115.10	17.22
	Income from Investment Property	50.20	37.66
	Net Cash Used in Investing Activities	3,549.31	(756.20)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

		For the Year ended 31st March 2016	For the Year ended 31st March 2015
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayment) of Short Term Borrowings (Net)	265.83	(854.93)
	Repayment of Long Term Borrowings	(833.43)	(817.08)
	Finance Cost paid	(253.18)	(334.20)
	Dividends paid	(715.32)	(508.23)
	Dividend Distribution Tax paid	(147.76)	(88.11)
	Net Cash Used in Financing Activities	(1,683.85)	(2,602.55)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	39.39	(158.35)
	Cash and cash equivalents as at 1st April 2015	372.45	530.80
	Add: Cash & Cash Equivalent taken over pursuant to business acquisition	470.19	-
		842.63	530.80
	Cash and cash equivalents as at 31st March 2016	882.02	372.45
		39.39	(158.35)
1	The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating , investing and financing activities		
2	Figures in the Bracket are outflows / deductions		
3	Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.		

As per our Report of even date
For KALYANIWALLA & MISTRY
 Chartered Accountants
 Firm Registration Number: 104607W

ERMIN K. IRANI
 Partner
 Membership Number: 35646
 Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI Company Secretary
ROHIT R MAHAKAL Chief Financial Officer

Mumbai : 16th May, 2016



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Notes forming part of the consolidated Financial Statements for the year ended 31st March 2016.

Corporate Information note on business activity

Apcotex Industries Limited ("the Company") is one of the leading producers of Synthetic Latices (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR, NBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING, Auto Components, Rice Rolls etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses. The Company is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India - the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

1. Basis of Consolidation:

The Consolidated Financial Statements relate to Apcotex Industries Limited ("the Company") and its subsidiary company Apcotex Solutions India Private Limited, incorporated in India, in which the Company holds 100% equity. The Consolidated Financial Statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act as applicable.

2. Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

- (a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 — Consolidated Financial Statements
- (b) The Financial Statements of the Company and its subsidiary company have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- (c) The difference between the costs of investment in the subsidiary and the Company's share of equity at the time of acquisition of shares in the subsidiary is recognised in the Financial Statements as Goodwill or Capital Reserve on consolidation.
- (d) Minority Interest, if any, in the net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority interest, if any, in the net assets of consolidated subsidiary consists of:

- The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- (e) The Financial Statements of the subsidiary are drawn from the date of acquisition up to 31st March, 2016.
 - (f) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
 - (g) The Subsidiary considered in presentation of these consolidated financial statements are:

Name of the Subsidiary Company	Country of Incorporation	Proportion of Ownership Interest
Apcotex Solutions India Private Limited	India	100%

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the disclosures of contingent liabilities. Difference between actual results and the estimates are recognized in the period in which the results materialize / are known.

(ii) Operating Cycle:

All Assets & liabilities have been classified as current & non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III of the Act. Based on the nature of activities undertaken by the Company and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current & non- current classification of assets & liabilities.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016**(iii) Fixed Assets and Depreciation / Amortization****a. Fixed Assets**

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

Fixed Assets held for sale are stated at lower of their net book value and net realizable value and are disclosed separately in the consolidated financial statements.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Capital work-in-progress comprises of the cost of fixed assets that are not ready for their intended use at the reporting date. Profit or Loss on disposal of tangible assets is recognized in the Statement of Profit and Loss.

b. Depreciation & Amortization**On Tangible Assets:**

Depreciation for the Company and its subsidiary has provided on basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 consequent to Schedule II becoming applicable w.e.f 01st April 2014. The excess depreciation on tangible assets whose useful life is already exhausted as on 01st April 2014 is transferred to General Reserves (net of deferred taxes).

On Intangible Assets:

Intangible assets are amortized on SLM method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management.

i. Computer Software – Written off over a period of three years

c. Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods

(iv) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

(v) Investments

Non-current investments are valued at cost less provision for diminution in value, if the diminution is other than temporary. Current Investments are stated at lower of cost and fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on average cost basis.

(vi) Inventory

Inventories are valued at lower of Cost and Net Realizable Value.

The cost is determined as follows:

(a) Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.



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- (b) The finished goods inventory is valued at cost, or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties and other costs incurred in bringing the inventories to their present location and condition.
- (c) Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.
- (d) Stores, Spares and consumables are valued at cost, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities, if any.

Slow-moving and damaged, unserviceable stocks are adequately provided wherever considered necessary.

(vii) Excise Duty :

Excise Duty paid on goods manufactured by the Company is accounted for at the time of dispatch of goods from the factories.

Excise Duty payable on goods manufactured is accrued for stocks held in factories at the year-end. Excise Duty paid/payable on goods manufactured by the Company and remaining in stock, is included in the value of Finished Goods. Excise duty related to the difference between the closing stock and opening stock of Finished Goods is recognized in the Statement of Profit and Loss.

(viii) Transactions in foreign exchange

(a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

(b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency denominated monetary assets & liabilities of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are recognised in the Statement of Profit and Loss. However exchange differences relating to fixed assets have been included in the carrying amount of fixed assets.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

In case of other forward exchange contracts, the difference between the transaction rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. However forward exchange contract relating to fixed assets have been included in the carrying amount of fixed assets.

(ix) Forward Exchange Contracts – Hedging

The company uses forward exchange contracts to hedge it's foreign exchange exposures relating to the underlying transactions and firm commitments. The use of these foreign exchange forward and options contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. The premium on forward contracts taken for purchase of fixed assets are capitalized as the cost of the asset and the premium on other contracts is recognized over the life of the contract in the Statement of Profit or Loss.

(x) Employees' Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(b) Post-employment benefits:

Defined contribution plans :

Contribution towards plans like Employee State Insurance Scheme, Government administered Provident Fund and Pension Fund Scheme and Superannuation Scheme for eligible employees are made to the regulatory authorities and are classified as Defined Contribution Plans. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plans

The cost of providing benefit i.e. gratuity is determined using the Projected Unit Credit Method with actuarial valuation carried out as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. The fair value of the planned assets is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

Other long-term employee benefits

Entitlements to annual privilege leave are recognized when they accrue to employees. Privilege leave can be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

(xi) Research and Development

- (a) Capital expenditure is shown separately under respective heads of fixed assets. These assets are depreciated over their useful life.
- (b) Revenue expenses are included under the respective heads of expenses.

(xii) Taxes on Income

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period in which such credit can be carried forward for set-off.

(xiii) Cash & Cash Equivalent:

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(xiv) Leases - Assets taken on operating lease

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on an accrual basis over the lease term of the asset.

(xv) Revenue Recognition:

- (a) Domestic sales are recognized at the point of dispatch of goods to customers, which is when risks and rewards of ownership are passed to the customers. Sales are inclusive of excise duty but net of trade discount and VAT /sales tax.
- (b) Export sales are recognized based on the bill of lading except sales to Nepal which are recognized when the goods cross the Indian Territory, which is when risks and rewards of ownership are passed to the customers.
- (c) Dividend income is recognized when the right to receive the same is established.
- (d) Interest and other income are recognized on accrual basis.
- (e) Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.
- (f) Insurance claims are recognized post filing of the claim with the insurer.

(xvi) Provisions and Contingencies:

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

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xvii) Earnings per Share

Basic and diluted earnings per share are computed by dividing the net profit after taxes attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

(xviii) Measurement of EBITDA

The Company has elected to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit / (loss) from continuing operations.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of Rs. 5/- each (2,99,40,000 Equity Shares of Rs 5/- each)	1,497.00	1,497.00
500 Preference Shares of Rs. 100/- each (500 Preference Shares of Rs 100/- each)	0.50	0.50
50,000 Unclassified Shares of Rs. 5/- each (50,000 Unclassified Shares of Rs. 5/- each)	2.50	2.50
	1,500.00	1,500.00
Issued, Subscribed and Paid up capital		
2,07,37,984 Equity Shares of Rs. 5/- (1,03,68,992 Equity Shares of Rs 5/-) each fully paid. (Including Rs. 3.90 lacs towards 78,051 shares forfeited at Rs.5/- each)	1,040.80	522.35
Total	1,040.80	522.35

Note:

- a) The Company had wide resolution passed through postal ballot on 12th September 2015, approved the issue of one bonus shares for every one equity share held in the company having face value of Rs 5/- each fully paid to the shareholders existing on record date i.e 24th September 2015. The shares were allotted on board meeting held on 25th September 2015 (Refer Note (e) below).

b) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	1,03,68,992	522.35	1,03,68,992	522.35
Add : Increase in the number of Shares on issue of bonus shares for every one equity shares during the year.	1,03,68,992	518.45	-	-
Outstanding at the end of the year	2,07,37,984	1,040.80	1,03,68,992	522.35

c) Details of Shareholders holding more than 5% equity shares in the company

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No of Shares Face Value of ₹ 5 Each	% Holding	No of Shares Face Value of ₹ 5 Each	% Holding
Trivikram Investment & Trading Company Ltd.	39,53,976	19.07	19,76,988	19.07
Dhumraketu Investment & Trading Company Pvt. Ltd	33,37,269	16.00	16,59,557	16.00
Atul Champaklal Choksey	13,76,404	5.88	6,70,200	6.44
Saldhar Investment & Trading Company Pvt. Ltd	11,33,088	5.46	5,66,544	5.46

d) Rights, Preferences & Restrictions attached to Equity Shares:

The Company has one class of share having a par value of Rs 5 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

e) Aggregate number of shares & class of shares allotted as fully paid-up by way of Bonus Shares:

(₹ In Lacs)

Financial Year 2015-16	As at 31st March 2016	As at 31st March 2015
No of Equity Shares	1,03,68,992	-
Face Value per Share	5.00	-
Total Face Value (Rs in Lacs)	518.45	-

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Redemption Reserve		
As per last Balance Sheet	-	-
Less: Utilisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	34.30	-
	34.30	-
(b) Capital Reserve on Consolidation	-	34.30
	6,016.52	-
(c) Share Premium		
As per last Balance Sheet	3,084.11	3,084.11
Less: Utilisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	484.15	-
	2,599.95	3,084.11
(d) General Reserve		
As per last Balance Sheet	2403.72	1,750.43
Add : Transfer from Statement of Profit and Loss	800.00	800.00
Less: Adjustment on account of excess depreciation as on 1st April 2014 *(Refer Note 3a below)	-	(146.71)
	3203.72	2,403.72
(e) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	3,930.83	3,136.36
Add : Net profit after tax transferred from Statement of Profit and Loss	3,853.06	2,468.06
Amount available for appropriation	7,783.89	5,604.42
Less: Appropriations		
Dividend on Equity shares:		
- Proposed Dividend [Rs.4.50 per share of Rs 5/- each, (Previous year Rs. 7/- per share of Rs 5/- each)]	933.21	725.83
Dividend Distribution Tax	189.98	147.76
Transfer to General Reserve	800.00	800.00
	5,860.70	3,930.83
Total	17,680.88	9,452.95

***Note :**

- a. Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31,2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of Rs 146.71 lacs (net of deferred tax of Rs 75.54) on account of assets whose useful life is already exhausted as on 1st April 2014, has been adjusted to General Reserve.

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 4 : LONG TERM BORROWINGS		
Term Loan		
Secured		
From Bank	-	836.56
	-	836.56
Notes:		
1a. Borrowing are in the form of Term Loan (ECB) carrying an Interest rate of LIBOR + 2.5% to LIBOR + 3.5% and secured by hypothecation of the Company's entire Plant & Machinery by way of first charge;		
1b. Repayment - During November 2013, Company has taken forward cover through 'Call Option' for repayment of remaining principal instalments of ECB		



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

2. Repayment schedule of Term Loan:	
Financial Year	Amount
2016-17	836.56
3. Default in terms of repayment of principal and interest – NIL;	
4. Foreign currency loan due for Repayment during the next twelve months considered in Other Current Liabilities is Rs. 836.56 lacs (Previous Year Rs 833.43 lacs)	

Note 5: DEFERRED TAX LIABILITY (NET)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) – Accounting for Taxes on income.

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2016 are as follows:

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	637.41	565.28
Depreciation on Scientific Research Assets	-	41.29
Total deferred tax liabilities	637.41	606.57
Deferred tax assets		
Carried forward losses and unabsorbed depreciation	-	-
Provision for doubtful debts	1,079.04	-
Provision for leave encashment	150.63	34.26
Provision for doubtful debts	-	7.33
Provision for Inventories	72.05	-
Provision for bonus	-	6.48
Impact of expenditure charged to profit and loss account in the current year but allowed for tax purposes on payment basis	8.65	-
Total deferred tax assets	1,310.37	48.07
Net Deferred tax liability/(assets)* Refer Note 43(c)	(672.96)	558.50

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Note 6: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	138.27	132.60
	138.27	132.60

Note:

1. Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate of 9% p.a.

	Long -Term		Short -Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 7. PROVISIONS				
Employee liabilities				
Leave Encashment	131.79	80.31	59.41	20.48
Proposed Dividend	-	-	933.21	725.83
Provision for Dividend Distribution Tax	-	-	189.98	147.76
Income Tax	67.03	97.64	261.16	39.75
	198.82	177.95	1,443.76	933.82

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 8 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Packing credit Foreign Currency Loan	-	585.78
Cash Credit/Working Capital Demand Loan	1,705.08	853.46
	1,705.08	1,439.24
Note :-		
1. Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The CC/WDC/WCDL carry interest rate in range of 10.25% p.a. to 13.65% p.a. and packing credit facility carry interest rate in the range of 2.00% p.a. to 2.50% p.a.		
2. Default in terms of repayment of principal and interest – NIL.		

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	166.58	156.07
b. Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 42 (for Details of due to Small, Medium Enterprises)	3,246.91	1,870.13
	3,413.49	2,026.20
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	3.54	4.23
Trivikram Investment & Trading Co. Ltd	(0.14)	3.42

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 10. OTHER CURRENT LIABILITIES		
(a) Other Payables		
Current Maturities of Long-term debt	836.56	833.43
Interest accrued but not due on borrowings	13.63	13.66
Central Sales Tax and VAT	2.01	5.13
Service Tax (Refer Note 10.3)	180.19	3.05
Excise duty on Closing Stock	331.80	84.72
TDS under Income tax	45.87	32.17
Provident Fund, Profession Tax and ESIC	18.74	9.44
Salaries & Wages	175.46	92.13
Bonus	111.66	20.57
Incentives	59.71	55.22
Leave Encashment	17.09	-
Gratuity	22.12	27.85
Amount payable to Gratuity Trust as a contribution for Gratuity	110.35	-
Unpaid/ Unclaimed dividend	55.32	44.81
Unclaimed Fixed Deposits and Interest thereon (Refer Note 10.2)	0.70	0.70
Security Deposits	121.79	-
Payable for Expenses	525.24	522.87
Payable for Capital Goods	69.72	75.13
Commission to Non Exe. Directors	29.01	31.53
Advances received from Customers	25.98	25.87
Outstanding Expenses	431.75	107.61
	3,184.72	1,985.89



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 10.1: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund

Note 10.2: Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of ₹ 22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

NOTE 11A & 11B : FIXED ASSETS

(₹ In Lacs)

	Gross Block					Depreciation						Net Block Value	
	As at 01/04/2015	Additions	Additions on acquisition	Deletions/ Adjustments	As at 31/03/2016	Upto 01/04/2015	Trf to Gen Res [†]	On Acquisition	For the Year	Deletions/ Adjustments	Upto 31/03/2016	As at 31/03/2016	As at 31/03/2015
A. Tangible Assets :													
Freehold Land	-	5.33	-	-	5.33	-	-	-	-	-	-	5.33	-
Leasehold Land	7.64	-	1,049.22	(248.40)	808.46	2.73	-	322.11	1.55	(248.40)	77.99	730.47	4.91
Buildings	2,513.71	13.73	994.56	(2.51)	3,519.49	821.11	-	288.56	78.65	(2.50)	1,185.82	2,333.67	1,692.60
Plant and Equipment	6,455.77	283.34	5,357.77	(1,125.18)	10,971.69	3,615.04	-	3,568.82	546.13	(1,073.72)	6,656.27	4,315.42	2,840.73
Scientific Research Equipments	309.67	0.79	-	(19.75)	290.71	188.19	-	-	29.48	(18.80)	198.87	91.84	121.48
Furnitures & office equipments	260.97	18.96	113.67	(2.71)	390.89	153.50	-	78.90	30.62	(1.37)	261.64	129.24	107.47
Vehicles	190.89	-	38.88	(0.13)	229.65	97.74	-	22.21	32.06	(0.13)	151.88	77.76	93.15
Electric & Pipe Fittings	1,739.16	39.80	-	(6.72)	1,772.24	757.63	-	-	181.12	(6.69)	932.05	840.19	981.53
Wind Turbine Generator	612.79	-	392.70	(392.70)	612.79	155.93	-	342.70	26.58	(342.70)	182.51	430.29	456.87
Total tangible assets	12,090.61	361.94	7,946.80	(1,798.10)	18,601.25	5,791.86	-	4,623.30	926.19	(1,694.31)	9,647.04	8,954.21	6,298.74
B. Intangible Assets :													
Goodwill	-	-	140.85	-	140.85	-	-	140.85	-	-	140.85	-	-
Computer Softwares	79.68	9.81	116.22	(0.02)	205.69	53.16	-	108.35	13.07	0.05	174.63	31.06	26.52
Total intangible assets	79.68	9.81	257.07	- 0.02	346.54	53.16	-	249.21	13.07	0.05	315.49	31.06	26.52
Total (A+B)	12,170.30	371.75	8,203.87	(1,798.12)	18,947.79	5,845.02	-	4,872.51	939.26	(1,694.26)	9,962.52	8,985.27	6,325.26
Previous year	12,028.04	698.86	-	(556.59)	12,170.30	5,248.87	222.25	-	897.40	(523.50)	5,845.02		
Capital Work-in-progress												488.55	187.60

(Refer Note No. 3(a))

Notes:

a. The Group is in the process of registering Title deeds of following immovable property in the name of the Company:

Type of Assets	Number of cases	Gross Block as at March 31, 2016	Net Block as at March 31, 2016	Remarks
Lease Hold Land	1	3,94,93,120	3,59,20,707	Company has received the allotment letter from GIDC. Company is in the process of registration.
Lease Hold Land	1	2,11,93,800	1,34,65,835	Received on demerger of Godrej Soaps Business. Company is in the process of transferring the title deeds.
Buildings	2	67,07,025	50,82,578	Company has received the allotment letter from GIDC. Company is in the process of registration.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

- b Leasehold land measuring 24.84 hectares taken from Gujarat Energy Development Agency ('GEDA') for wind farm at Navadara, Gujarat. The land lease taken is going to expire by March 31, 2016, which is further renewable on payment of annual lease rentals. During the previous year, the Company has decided to amortise the fair value of the land carried in the books over the current lease period, i.e. till March 31, 2016. Accordingly, the Company has recognised higher amortisation charge of Rs.16,906,725. During the current year same has been sold off.
- c. The Depreciation for the year includes Impairment provision on Plant & Machinery Rs. Nil (Previous year Rs. 53,971,625/). In the Previous year, the Company has recognised the following impairment loss on written down of following assets to their recoverable amount.

Particulars	Amt in ₹
Building related to windmills	47,018
Leashold land related to windmills	57,01,573
Plant and Machinery related to windmills	57,23,360
Plant and Machinery related to Gas turbine and instruments	4,24,99,674
Total	5,39,71,625

The impairment loss in case of above asset is recognised on account of management's decision to disinvest these assets and these assets being not in use due to technical issues. The group written-down these assets to net realisable value based on management estimate. In current period these assets are transferred from Fixed Asset to "Assets held for disposal" and accordingly, the impairment provision on the same as the same assets has been reversed (included in deletion / adjustments).

- d. Impairment provision included in accumulated depreciation Rs. Nil /- on takeover Rs.53,971,625/- (as on 31/03/2015 - Rs.Nil).

		(₹ In Lacs)	
		As at 31st March 2016	As at 31st March 2015
NOTE 12: NON CURRENT INVESTMENTS			
(A)	INVESTMENT PROPERTY (at cost less accumulated depreciation)		
	Buildings given on Operating Lease:		
	Opening Gross Block	32.69	30.86
	Add: Transfer from Fixed Assets during the year	-	1.83
	Closing Gross Block	32.69	32.69
	Less:		
	Opening Accumulated Depreciation	20.24	19.93
	Add: Depreciation for the year	0.36	0.31
	Closing Accumulated Depreciation	-	20.24
	Net Block (a)	12.09	12.45
(B)	LONG TERM INVESTMENTS		
1)	UNQUOTED		
i)	NON-TRADE INVESTMENTS		
	1 120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of Rs.10/- fully paid	16.00	16.00
	Less: Prov for Diminishing Value of Investment	(16.00)	
		-	16.00
	2 247,500 Shares of Narmada Clean Tech Limited of Rs 10/- each fully paid up (formely known as Bharuc Eco-Aqua Infrastructure Limited)	24.75	
	3 1,751 Shares of Bharuch Enviro Infrastructure Limited of Rs.10/- each fully paid up	0.18	
		24.93	16.00



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

		As at 31st March 2016	As at 31st March 2015
ii)	INVESTMENTS IN MUTUAL FUNDS		
1	Nil Units (P. Y.203.746) Reliance Liquid Fund - Treasury Plan-Weekly Div	-	3.08
2	94134.364 Units (P. Y. 94134.364Units) Birla Sun Life Frontline Equity Fund - Growth	59.88	59.88
3	400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	40.00
4	Nil Units (P. Y. 515685.914 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	-	90.97
5	Nil Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	-	194.00
6	Nil Units (P. Y. 137541.367 units) ICICI Prudential Value Discovery Fund - Reg Plan (G)	-	117.40
7	767459.708 Units (P. Y. 2748674.592 units) of DWS Gilt Fund - Regular Growth	97.72	350.00
8	370000 Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	37.00
9	Nil Units (P. Y. 51399.854 units) of UTI Equity Fund - (Gr)	-	37.30
10	575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	60.00
11	Nil Units (P. Y. 16928.446 units) of Franklin India Prima Fund (G)	-	60.00
12	Nil Units (P. Y. 161051.012units) of Franklin India Smaller Companies Fund - (Gr)	-	47.00
13	460696.566 Units (P. Y. 333172.3 units) of SBI Bluechip Fund - Regular Plan (GR)	94.29	60.00
14	Nil Units (P. Y. 141333.434 units) of IDFC Sterling Equity Fund (GR)	-	30.00
15	21597.766 Units (P. Y.21597.766 units) of HDFC Equity Fund (GR)	73.70	73.70
16	Nil Units (P. Y. 430356.66 units) of HDFC Mid-Cap Opportunities Fund - (GR)	-	117.40
17	Nil Units (P. Y. 95305.688 units) of Sundaram S.M.I.L.E. Fund - Reg Plan (Gr)	-	47.00
18	483040.687 Units (P. Y. Nil units) of Mirae Assets India Opportunities Fund - Regular - Growth Plan	154.30	-
19	684032.548 Units (P. Y. Nil units) of Kotak Select Focus Fund-Growth (Regular Plan)	154.30	-
20	Nil Units (P. Y. 1.22 units) of Pramerica Liquid Fund - Direct Plan - Wkly Divd	-	0.01
		771.19	1,424.74
2)	QUOTED		
i)	NON-TRADE INVESTMENTS		
1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of Re. 1/- fully paid	4.99	4.99
2	5000 (P. Y. 5000 Equity Shares of Axis Bank of the face value of Rs. 2/- fully paid	-	-
3	300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of Rs. 10/- fully paid	-	-
4	100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of Rs. 5/- fully paid	-	-
5	1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of Rs. 10/- fully paid	-	-
6	1000 (P. Y. 1000) Equity Shares of Skyliid Telecom Equipments Ltd of the face value of Rs. 10/- fully paid	-	-

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

		As at 31st March 2016	As at 31st March 2015
7	3225 (P. Y. 4975) Equity Shares of Lupin Ltd of the face value of Rs. 2/- fully paid	24.25	37.40
8	15800 (P. Y. 18050) Equity Shares of Axis Bank Ltd. of the face value of Rs. 2/- fully paid (Includes Stock Split 1:5)	38.07	35.76
9	12850 (P. Y. 23625) Equity Shares of United Phosphorous Ltd. of the face value of Rs. 2/- fully paid	20.60	37.87
10	Nil (P. Y. 12020) Equity Shares of ING Vysya Bank Ltd. of the face value of Rs. 10/- fully paid	-	75.84
11	5450 (P. Y. 15450) Equity Shares of Kajaria Ceramics Ltd. of the face value of Rs. 2/- fully paid	14.21	40.27
12	17750 (P. Y. 4975) Equity Shares of Cadila Healthcare Ltd. of the face value of Rs. 5/- fully paid	30.06	42.12
13	13568 (P. Y. 19208) Equity Shares of Tech Mahindra of the face value of Rs. 5/- fully paid	56.49	70.99
14	18900 (P. Y. 42900) Equity Shares of Havells India Ltd. of the face value of Rs. 1/- fully paid	31.36	71.19
15	Nil (P. Y. 3575) Equity Shares of Larsen & Toubro Ltd. of the face value of Rs. 2/- fully paid	-	44.61
16	11874 (P. Y. 5675) Equity Shares of Kotak Mahindra Bank of the face value of Rs. 5/- fully paid (Bonus 1:1)	50.28	45.49
17	100 (P. Y. 180) Equity Shares of MRF Ltd. of the face value of Rs. 10/- fully paid	20.79	37.43
18	9800 (P. Y. 9000) Equity Shares of Dalmia Bharat Ltd. of the face value of Rs. 2/- fully paid	52.80	40.19
19	6175 (P. Y. 7350) Equity Shares of Indusind Bank of the face value of Rs. 10/- fully paid	35.18	41.67
20	9625 (P. Y. 12625) Equity Shares of Raymond Ltd. of the face value of Rs. 10/- fully paid	41.97	55.05
21	Nil (P. Y. 3500) Equity Shares of Credit Analysis And Research of the face value of Rs. 10/- fully paid	-	45.59
22	9950 (P. Y. 16050) Equity Shares of PC Jeweller of the face value of Rs. 10/- fully paid	21.14	34.09
23	11050 (P. Y. 28725) Equity Shares of ICICI Bank Ltd of the face value of Rs. 2/- fully paid	38.67	90.10
24	4375 (P. Y. 4300) Equity Shares of MCX India of the face value of Rs. 10/- fully paid	38.34	37.69
25	60650 (P. Y. 47550) Equity Shares of Ashok Leyland of the face value of Re. 1/- fully paid	49.58	32.05
26	41579 (P. Y. 84654) Equity Shares of KEC International Ltd. of the face value of Rs. 2/- fully paid	30.21	61.51
27	80850 (P. Y. Nil) Equity Shares of Kirloskar Ferroc Ind. Ltd. of the face value of Rs. 5/- fully paid	42.77	-
28	6315 (P. Y. Nil) Equity Shares of Mahindra Life SPA.. of the face value of Rs. 10/- fully paid	25.92	-
29	3540 (P. Y. 6894) Equity Shares of Zensar Tech of the face value of Rs. 10/- fully paid	10.05	19.57
30	42850 (P. Y Nil) Equity Shares of Deepak Nitrite of the face value of Rs. 2/- fully paid	28.42	-
31	21735 (P. Y. 21735) Equity Shares of Kalpataru Power Transmission Ltd of the face value of Rs. 2/- fully paid	24.49	24.49



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
32 5995 (P. Y. Nil) Equity Shares of Ramco Cements of the face value of Rs. 1/- fully paid	20.49	-
33 11200 (P. Y. Nil) Equity Shares of Network 18 of the face value of Rs. 5/- fully paid.	6.11	-
34 11220 (P. Y. 22040) Equity Shares of Godrej Properties of the face value of Rs. 5/- fully paid	27.08	53.19
35 Nil (P. Y. 40545) Equity Shares of IDFC Ltd of the face value of Rs. 10/- fully paid	-	62.86
36 29752 (P. Y. 9750) Equity Shares of Coromandel International Ltd of the face value of Re. 1/- fully paid	65.24	23.68
37 1950 (P. Y. 1950) Equity Shares of Bajaj Finserv Ltd of the face value of Rs. 5/- fully paid	20.59	20.59
38 4875 (P. Y. Nil) Equity Shares of Biocon Ltd. of the face value of Rs. 5/- fully paid	21.55	-
39 48925 (P. Y. 171650) Equity Shares of TV18 Broadcast Ltd. of the face value of Rs. 2/- fully paid	14.82	52.01
40 Nil (P. Y. 1225) Equity Shares of Bajaj Finance Ltd of the face value of Rs. 10/- fully paid	-	25.08
41 Nil (P. Y. 23750) Equity Shares of Cox and Kings Ltd of the face value of Rs. 5/- fully paid	-	49.45
42 Nil (P. Y. 1125) Equity Shares of Dr Reddy Laboratories Ltd of the face value of Rs. 5/- fully paid	-	30.09
43 Nil (P. Y. 5400) Equity Shares of Glenmark Pharmaceuticals Ltd of the face value of Re. 1/- fully paid	-	32.00
44 Nil (P. Y. 15725) Equity Shares of ITC Ltd of the face value of Re. 1/- fully paid	-	50.02
45 Nil (P. Y. 118450) Equity Shares of PTC India Financial Services Ltd of the face value of Rs. 10/- fully paid	-	53.62
46 Nil (P. Y. 1425) Equity Shares of Shriram Transport Finance Co. Ltd., of the face value of Rs. 10 fully paid	-	12.58
47 27325 (P. Y. Nil) Equity Shares of Greeves Cotton Ltd of the face value of Rs. 2/- fully paid	37.45	-
48 Nil (P. Y. 11650) Equity Shares of Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	-	75.14
49 Nil (P. Y. 18400) Equity Shares of Tata Motors Ltd DVR Shares of the face value of Rs. 2/- fully paid	-	56.68
50 12500 (P. Y. nil) Equity Shares of JMC Projects Shares of the face value of Rs. /- fully paid	24.35	-
51 552 (P. Y. Nil) Equity Shares of Vardhman Textiles of the face value of Rs. 10 /- fully paid	4.14	-
	972.46	1,622.96
Total of Long Term Investments (B)	1,768.58	3,063.70
Total (A+B)	1,780.67	3,076.15

(₹ In Lacs)

AGGREGATE MARKET VALUE OF INVESTMENTS	As at 31st March 2016	As at 31st March 2015
QUOTED INVESTMENTS	1,354.34	2,791.59

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	Long Term		Short Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	97.35	34.85	-	-
Sundry deposits	558.67	282.33	-	-
	656.02	317.18	-	-
B. Other loans and advances				
Advances to Vendors	-	-	223.86	154.61
Balance with Excise and service tax	74.94	-	201.50	401.44
Excise Duty under protest	15.38	2.04	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	107.32	102.28	-	-
Other advances receivable in cash or kind	-	-	279.31	-
Advances to employees	-	-	35.90	1.77
	405.96	312.65	740.58	557.82
	1,061.99	629.82	740.58	557.82

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2015
	NOTE 14: OTHER NON CURRENT ASSETS	
TRADE RECEIVABLES (Unsecured and considered doubtful)		
Overdue for more than six months	435.25	21.56
Less:- Provision for Doughtful Debt	(435.25)	(21.56)
'Net	-	-
Fixed Deposits with Banks	-	5.09
Sales Tax Refund Receivable	605.20	22.26
	605.20	27.35

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2016
	NOTE 15: INVENTORIES (At Lower of cost and market value)	
(a) Raw materials	1,350.82	721.77
(b) Packing materials	84.64	30.46
(c) Finished goods	2,237.76	509.17
(d) Work-in-progress	393.02	36.89
(e) Stores, spares and consumables	267.61	223.90
	4,333.85	1,522.20

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2015
	NOTE 16: TRADE RECEIVABLES (Unsecured and considered good)	
Overdue for more than six months	42.35	0.18
Others	8,341.72	4,870.20
	8,384.08	4,870.38
Note:- Amount due from private company in which any director is a director of that company		
(i) Choksey Chemical Pvt. Ltd	19.93	35.95



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ in Lacs)	
	As at 31st March 2016	As at 31st March 2015
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	3.99	5.40
(b) Balances with Banks :		
(i) Balances with Bank Accounts	775.50	233.80
(ii) EEFC A/c	97.53	128.24
(c) Investment in Liquid Mutual Funds (Refer Note No. 17.1)	5.00	5.00
	882.02	372.45
B. Other bank balances-earmarked		
(i) Unpaid dividend	55.32	44.81
(ii) Deposit with bank - Margin	43.74	25.58
	981.08	442.83

NOTE 17.1

(₹ in Lacs)

Details of Investment in Liquid Mutual Funds	As at 31st March 2016	As at 31st March 2015
Unquoted		
Investments in Mutual Funds:		
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
	5.00	5.00

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 18: OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Interest Receivable	5.13	5.86
Discount Receivable	5.45	95.96
Octroi Receivable	0.62	0.62
Excise Duty Refund (Exports)	17.97	246.34
Sales Tax Refund Receivable	474.58	-
Interest on Sales Tax Refund Receivable	124.21	-
Export Incentive Receivable	9.98	58.88
Assets held for disposal	50.68	-
Other Receivables	82.97	19.00
	771.59	426.66

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	29,056.08	32,215.00
(b) Exports	3,811.94	6,899.46
Turnover	32,868.02	39,114.46
Less: Excise duty	3,375.50	3,777.60
Sale of products	29,492.52	35,336.86
(B) Other operating revenues:		
(a) Scrap sales	23.71	7.61
(b) Export Incentives	94.02	152.20
(c) Insurance Claim	19.17	3.31
(d) Other Income	16.45	8.13
	153.35	171.23
	29,645.87	35,508.10

Note:-

Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods manufactured by the company.

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 20: OTHER INCOME		
(a) Interest Income	8.36	17.22
(b) Interest Income	98.85	-
(c) Dividend Received From Non Current Investments	39.60	24.27
(e) (Loss)/Surplus on sale of Non- Current Investments	596.75	444.17
(f) Income from rent	50.20	37.66
(h) Other Income	1.72	3.43
(j) Foreign Exchange Fluctuation Difference	32.37	30.78
	827.84	557.53

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	1,206.59	759.00
Add : Purchases	18,719.75	23,751.36
	19,926.34	24,510.35
Less: Closing Stock Raw Materials	(1350.82)	(721.77)
	18,575.52	23,788.58
Packing Materials Consumed		
Opening Stock	55.87	27.43
Add : Purchases	871.89	1,095.38
	927.75	1,122.81
Less : Closing Stock Packing Materials	(84.64)	(30.46)
	843.11	1,092.35
	19,418.63	24,880.94



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS.		
Stock at the beginning of the year		
Finished Goods	2,212.82	587.28
Work-in-Progress	380.35	98.24
Total (A)	2,593.17	685.52
Stock at the end of the year		
Finished Goods	2,237.76	509.17
Work-in-Progress	393.02	36.89
Total(B)	2,630.78	546.06
CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS (B-A)	(37.61)	139.45

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and allowances	1,313.63	1,070.82
Wages and allowances to Contract Labour	145.14	126.70
Contribution to Provident and other Funds	94.46	88.73
Staff welfare expenses	154.39	124.01
	1,707.61	1,410.26

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 23 : OTHER EXPENSES		
Stores and spares consumed	150.79	153.89
Power and fuel (Net of Income from Windmill operations of Rs 61.15 Lacs) (Previous Year Rs 68.86 Lac)	883.35	642.94
Repairs and Maintenance		
Buildings Repairs and Maintenance	294.41	567.86
Machinery Repairs and Maintenance	79.74	63.89
Other assets Repairs and Maintenance	180.81	177.10
Rent	21.24	38.35
Rates and taxes	110.68	138.08
Insurance	52.93	33.95
Sales Discount & Rebates	365.24	354.30
Contract Labour	56.27	-
Freight and transport charges	1,002.85	1,100.75
Advertisement	34.07	16.11
Printing, Stationary, & Communication charges	52.19	51.58
Travelling Expenses		
Directors Travelling Expenses	78.48	81.35
Others Travelling Expenses	177.82	127.78

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Commission on sales	139.94	171.23
Loss on sale of Fixed Assets	110.04	0.96
Fixed Assets Written off	426.85	29.78
Impairment of fixed assets/ (written back, Refer Note 11 c)	(539.72)	-
Bad Debts Written off	21.56	9.33
Provision for Bad & Doubtful Debts	(21.56)	12.23
Donation	3.30	26.91
Bank Charges	61.69	76.27
Miscellaneous expenses	651.66	554.11
Prov for Diminishing Value of Investments	16.00	-
Commission to Non Executive Directors	29.01	31.53
Directors' meeting fees	10.00	9.00
Auditors Remuneration (Ref. Note No. 28)	11.53	7.95
Professional Fees	192.44	491.43
Excess Provision written back	(38.97)	(43.67)
Prior year Expenses (Net) (Refer Note No 29)	-	5.15
	4,614.66	4,930.16

Note:

- a. Miscellaneous expenses include Excise duty of Rs 8.61 lacs (Previous year Rs 30.18 lacs) being the difference of excise duty between the opening & closing stock of finished goods.
- b. The Company was required to spend an amount of ₹ 46.35 Lacs (P.Y. ₹ 34.00 Lacs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 29.76 Lacs (P.Y. ₹ 30.63 Lacs) only.

The Concerned Expenditure has been debited to the following Heads as below :

			(₹ in Lacs)
Head where the concerned Expenditure is debited	(i) Construction / Acquisition of any asset	(ii) On purposes other than (i)	Total
Donation	-	29.76	29.76
		<i>(26.16)</i>	<i>(26.16)</i>
Miscellaneous Expenses	-	-	-
		<i>(4.47)</i>	<i>(4.47)</i>
Total Expenditure	-	29.76	29.76
		<i>(30.63)</i>	<i>(30.63)</i>
Yet to be Spent	-	16.59	16.59
		<i>(3.37)</i>	<i>(3.37)</i>
Total Eligible Amount	-	46.35	46.35
		<i>(30.63)</i>	<i>(34.00)</i>

(Previous year's figures have been shown in brackets and italics)



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	926.19	891.14
Depreciation on Intangible Assets (Refer Note 11 B)	13.07	6.26
Depreciation on Investment Property (Refer Note 12 A)	0.36	0.31
	939.62	897.71

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 25 : FINANCE COST		
Interest on Borrowings	232.03	315.14
Other Finance costs	11.03	9.12
	243.05	324.26

26. Estimated amount of contracts to be executed on capital account and not provided for **Rs.75.45 lac** (Net of advances of **Rs. 15.88 lac**) [(P.Y. Rs. 242.06 lac (Net of Advances of Rs. 34.85 lac)].

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] **Rs. 1350.58 lac** (P.Y. Rs. 744.01 Lac).

Particulars	As at 31st March 2016	As at 31st March 2015
Income tax liability on account of disputed liability	796.06	528.22
Excise duty, Service Tax and Customs	168.68	159.93
Open Letters of Credit	24.98	-
Bank Guarantee with Sales Tax Department	360.86	55.86

27.1 Income Tax liability of Rs. Nil (Previous Year Rs. 208.33 lac) is in respect of capital gains.

27.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of Rs. 142.09 lac each for a dispute regarding high sea sales. The Company has paid the demand of Rs. 142.09 lac in the year 2011-12 and has claimed the same as deduction in the financial year 2011-12. Balance penalty amount of Rs. 142.09 lac has been disclosed as contingent.

28. Auditors Remuneration

	(₹ In Lacs)	
Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Statutory Audit	9.50	5.50
Consolidated Financial Statements	1.00	-
Tax Audit	-	1.50
Certification fees and other services	0.65	0.70
Reimbursement of Expenses	0.38	0.25
Total	11.53	7.95

*(Net of Service Tax)

29. RESEARCH AND DEVELOPMENT EXPENDITURE

	(₹ In Lacs)	
Particulars	For the Year Ended 31st March 2016	For the Year Ended 31st March 2015
Capital Expenditure	0.79	4.23
Revenue Expenditure	189.60	148.60
TOTAL EXPENDITURE	190.39	152.83

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

30. Prior Period Items

(₹ in Lacs)		
Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Prior period expenses		
Salary, Wages & Allowances	-	1.54
Freight and Transport Charges	-	5.21
Miscellaneous Expense	-	2.92
Sub Total (A)	-	9.67
Prior period income		
Other income	-	0.02
Miscellaneous Income	-	0.66
Purchase Raw Material	-	2.95
Purchase Packing Material	-	0.89
Sub Total (B)	-	4.52
Grand Total (A-B)	-	5.15

31. Value of Imports on CIF basis:

(₹ In Lacs)		
	For the year ended 31st March 2016	For the year ended 31st March 2015
Raw materials	3966.10	4690.67
Stores and spares	1.64	6.93

32. Details of imported and indigenous raw materials, components and spare parts consumed during the financial year:

(₹ In Lacs)				
Particulars	For the year ended 31st March 2016	% To Total	For the year ended 31st March 2015	% To Total
Raw Materials:				
Imported	4,117.20	21.20	5,097.29	20.48
Indigenous	15,301.44	78.80	19,783.65	79.52
	19,418.64	100.00	24,880.94	100.00
Stores and Spares:				
Imported	7.55	5.01	9.45	6.14
Indigenous	143.24	94.99	144.44	93.86
	150.79	100.00	153.89	100.00

33. Value of Raw Material Consumed

(₹ In Lacs)		
Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Monomers	15,659.18	20,674.62
Others	3,759.46	4,206.32
Total	18,418.64	24,880.94



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

34. Capitalisation of Premium on Swap Contracts on Foreign Currency Loan and related interest cost.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Premium on swap on foreign currency loan	121.67	180.16
Total	121.67	180.16

35. Earning in foreign currency

	For the year ended 31st March 2016	For the year ended 31st March 2015
Export of Goods on F.O.B. basis	3582.98	6566.37

36. Expenditure in Foreign Currency

(₹ In Lacs)

	Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
a.	Professional Fees (including reimbursement)	13.37	18.33
b.	Interest	68.38	92.45
c.	Foreign Travel	110.13	103.30
d.	Sales Commission	-	43.04
e.	Others	1.31	0.90

37. Details on Derivatives Instruments and Un-hedged foreign currency exposures:

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31st March 2016		As at 31st March 2015	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding (ECB Loan)	2	-	3	-
USD	1525750	-	2998970	-
INR Equivalent (Rs. in Lac)	964.91	-	1877.23	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31st March 2016	As at 31st March 2015
Total Number of Contracts	1	1
Principal Notional Amount US \$	1337000	2669000
Maturity Period	Upto 1 Years	Upto 2 Years

(ii) The foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	As at 31st March 2016		As at 31st March 2015	
	USD	₹ in Lac	USD	₹ in Lac
Trade and Other Payables	723464.40	487.28	217252	110.00
Receivables : Trade Receivables	1017337.00	674.42	954915	597.69

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

38. Segment Information

The Company operates in a single primary business segment, i.e. leading producers of Synthetic Lattices and Synthetic Rubber. Therefore, the separate segment information on primary segment is not given in terms of the accounting standard 17, on 'segment reporting' issued by the Institute of Chartered Accountants of India. The information pertaining to the company's secondary segment i.e. geographical is given below:

Secondary Segment Information:

The Company's operations are managed from India. The principal geographical areas in which the Company operates are India, Middle East and Asian Countries.

Secondary segment information with respect to geographical location

(₹ In Lacs)

Particulars	Revenue for the year ended 31 st March, 2016	Trade Receivable as at 31 st March, 2016	Revenue for the year ended 31 st March, 2015	Trade Receivable as at 31 st March, 2015
India	28853.80	7709.66	32,215.00	4272.69
Outside India	3808.82	674.42	6,899.46	597.69
Total	32868.02	8384.08	39114.46	4870.38

39. Related Party Transaction Disclosure

(I) As per requirement of Accounting Standard for Related Party transactions (AS 18) issued by ICAI:

A. Names of Related Parties and nature of relationship

(Disclosure made to the extent of information available)

(i) **Person(s) having controlling interest**

- a) Shri Atul C. Choksey – Chairman & Non-Executive Director

(ii) **Enterprises directly controlled by the company(subsidiary company)**

- a) **Apcotex Solutions India Pvt Ltd (formerly known as Omnova solutions India pvt ltd.)**

(iii) **Enterprises over which the Company's Directors Exercise significant influence**

- a) Abhiraj Trading & Investments Pvt. Limited
 b) Aeonian Investments Company Limited
 c) Amisha Buildcon Private Limited
 d) Apco Enterprises Limited
 e) Aquamarine Trading & Investments Pvt. Limited
 f) Aquamarine Investment Managers LLP
 g) Balasesh Leafin Limited
 h) Bhuvantray Investments & Trading Co. Pvt. Limited
 i) Choksey Structural Engineering Private Limited
 j) Choksey Chemical Pvt. Limited
 k) Cons Holdings Limited
 l) Cybele Paradise Pvt Ltd
 m) Dhumraketu Investments & Trading Company Pvt.Ltd.
 n) Forest Hills Trading & Investments Pvt. Limited
 o) Gauriputra Investments & Trading Co. Pvt. Limited
 p) Haridwar Trading & Investments Pvt. Limited



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

- q) HMP Mineral Pvt. Limited
- r) Joshimath Trading & Investments Pvt. Limited
- s) Laxmanjhula Trading & Investments Pvt. Limited
- t) Mazda Colours Limited
- u) Propycon Trading & Investments Private Limited
- v) Saldhar Investments & Trading Company Pvt. Limited
- w) Sammelan Investments & Trading Limited
- x) Shyamal Finvest (India) Limited
- y) Hindustan Mineral Products Co. Limited
- z) Titan Trading & Agencies Limited
- aa) Trivikram Investments & Trading Company Limited

(iv) **Key Management Personnel and their relatives :**

- a) Shri. Abhiraj A. Choksey - Managing Director - Key Management Personnel

B. Related Party Disclosure

(₹ In Lacs)

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
Income				
a.	Sale of Goods			
1.	Choksey Chemicals Pvt. Ltd		73.16 <i>(118.65)</i>	
b.	Rent Income			
1	Aquamarine Investment Manager LLP		0.37 <i>(-)</i>	
Expenses				
a.	Rent and Other expenses (Reimbursement)			
	Apco Enterprises Limited		12.07 <i>(8.70)</i>	
	Trivikram Investment & Trading Co. Ltd		1.80 <i>(3.42)</i>	
b.	Remuneration			
	Shri. Abhiraj A. Choksey			104.01 <i>(85.16)</i>
c.	Reimbursement of Medical Expenses			
	Shri. Atul C. Choksey	1.62 <i>(1.78)</i>		
d.	Commission to Non-Executive Directors			
	Shri. Atul C. Choksey	27.52 <i>(25.53)</i>		

(Previous year's figures have shown in brackets and italics)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

C. Closing Balances

(₹ In Lacs)

Sr. No.	Name of the related Party	Perons having controlling Interest	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance				
a.	Apco Enterprises Limited		3.54 <i>(3.42)</i>	
b.	Trivikram Investment & Trading Co. Ltd		-0.14 <i>(3.42)</i>	
c.	Shri. Abhiraj A. Choksey – Salary Payable			6.85 <i>(4.50)</i>
d.	Shri. Atul C. Choksey – Commission Payable	27.52 <i>(25.53)</i>		
Outstanding Receivable Balance				
a.	Choksey Chemicals Pvt Ltd		19.93 <i>(35.95)</i>	

(Previous year's figures have shown in brackets and italics)

II) Disclosures as per Regulation 34(3) of SEBI (Listing Obligations & Disclosures Requirement Regulation, 2015).

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/advance/ Investments outstanding during the year.									
1.	Loans and advances in the nature of Loans to subsidiary :	<table border="1"> <tr> <td colspan="3">Apcotex Solutions India Private Limited</td> </tr> <tr> <td>1</td> <td>At the year end</td> <td>Nil</td> </tr> <tr> <td>2</td> <td>Maximum amount of ICD/Loans given during the year</td> <td>775.00</td> </tr> </table>	Apcotex Solutions India Private Limited			1	At the year end	Nil	2	Maximum amount of ICD/Loans given during the year	775.00
Apcotex Solutions India Private Limited											
1	At the year end	Nil									
2	Maximum amount of ICD/Loans given during the year	775.00									

40. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles. These Lease Agreements provide for cancelation by either party thereto as per the terms and condition of the agreement. The lease rental recognized in the profit and loss during year & the lease agreements obligations for the period is as per given table.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Lease payment recognized in P&L	9.67	6.93
Future Lease Commitments		
- Within one year	8.89	9.34
- Later than one year and not later than Five years	17.26	26.15

41. Earnings per Share:

		For the year ended 31st March 2016	For the year ended 31st March 2015
(i)	Profit computation for both basic and diluted earnings per equity share of Rs.5 each. Net profit as per Statement of profit and loss available for equity Shareholders (Rs in Lac)	3,853.06	2,468.06
(ii)	Number of Equity Shares*	20737984	20737984
(iii)	Earning per equity share		
	Basic & Diluted (in Rupees)	18.58	11.9

* The equity shares of the Company having face value of Rs. 5 each allotted as fully paid up by way of bonus share. In accordance with AS 20 – Earnings Per Share, the earnings per share For the Year Ended 31st March 2015 have been presented based on the revised number of shares.



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

42. Micro & Small enterprises as defined under the Macro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs. 68.62 (Previous Year: Rs. 156.07). The disclosure pursuant to MSMED Act based on the books of account are as under:

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Dues remaining unpaid		
Principal	166.28	156.07
Interest	0.39	0.69
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

43. Acquisition and amalgamation of wholly owned subsidiary Company

- On 05th February 2016, company acquired the entire share-holding (No. of Shares – 1,60,99,272) of Omnova Solutions India Private Limited from “Omnova Solutions India France Holding SAS” & “Omnova Solutions SAS France”. The name of wholly owned subsidiary company i.e. Omnova Solutions India Private Limited was changed to Apcotex Solutions India Private Limited w.e.f 05th March 2016.
 - On 22nd April 2016, Board of Directors approved the scheme of Amalgamation of wholly owned subsidiary company viz. Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. The necessary documents have been filed with stock exchange for their consent before filing the petition with Honorable High Court judicature at Bombay.
 - Upon approval from Stock Exchanges the Company will be filing Scheme of Amalgamation with Honourable High Court judicature at Bombay for Merger of wholly owned subsidiary Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. Accordingly, deferred tax assets have been created on the accumulated unabsorbed depreciation allowance of the wholly owned subsidiary.
44. Previous year's figures have been regrouped / restated wherever necessary to conform to current year's presentation.



apcotex industries limited

Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra

**35TH
Annual Report
2013-2014**

**SALDHAR INVESTMENTS AND
TRADING COMPANY PRIVATE
LIMITED**

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

REGISTERED OFFICE : N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinal Marg., Mumbai 400 020.

NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Company will be held at its Registered Office at N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinal Marg, Mumbai 400020 on Monday the 22nd September, 2014 at 03:45 P.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Accounts for the year ended 31st March 2014 and the Reports of the Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration

BY ORDER OF THE BOARD

Parul Choksey
Parul Choksey
CHAIRPERSON

Mumbai : 28 JUN 2014

Registered Office :
N K Mehta International House
178 Backbay Reclamation
Babubhai M Chinal Marg
Mumbai 400 020.

Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



Directors Report

To,
The Members,
SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Yours directors have pleasure in presenting the Thirty Fifth Annual Report together with the Audited of Accounts Statement for the year ended March 31st, 2014

FINANCIAL RESULTS :

During the year under review, the Company has incurred profit after tax Rs.37,20,938/- as against previous years profit of Rs39,93,610 /-.

Dividend

In order to conserve resources for the business operations of the Company, your directors do not recommend any dividend on equity shares.

FIXED DEPOSITS :

The Company has not accepted Fixed Deposits from the Public during the year and no deposits remain outstanding for repayment.

PARTICULARS OF EMPLOYEES :

There are no employees of the Company whose particulars are required to be reported under Section 217(2A) of the Companies Act, 1956 and rules thereunder.

CONSERVATION OF ENERGY & TECHNOLOGICAL ABSORPTION:

Being an investment company with no manufacturing activity, the Directors have nothing to report on 'Conservation of Energy,' 'Research & Development', and 'Technology Absorption'.

DIRECTORS RESPONSIBILITY STATEMENT:

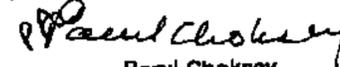
In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your directors state that :

- i. In the preparation of accounts, the applicable accounting standards have been followed.
- ii. Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the corporation as at the end of March 31, 2014 and of the profit of the company for the year ended on that date.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv. The annual accounts of the Company have been prepared on a going concern basis.

AUDITORS :

The Company's Auditors M/s. Ravi A. Shah & Associates, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

On Behalf of the Board of Directors,


Parul Choksey
Chairperson

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



Ravi A. Shah & Associates
Chartered Accountants

10, Shriniket Apts, 23, Bajaj Road
Vile Parle West, Mumbai – 400056
+91 22 2613 5613 ; +91 98190 63558
rasassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of

Saldhar Investments & Trading Co. Pvt. Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Saldhar Investments & Trading Co. Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 8/2014 dated April 4, 2014 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

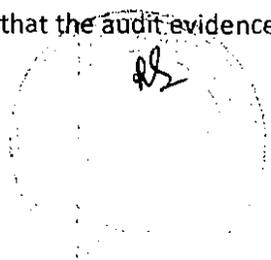
Auditor's Responsibility

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

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

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

Opinion



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

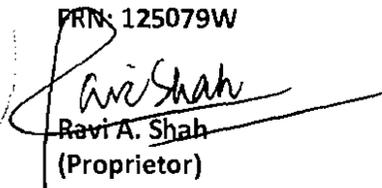
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014 and
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet and the Statement of Profit and Loss, comply with Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Ravi A. Shah and Associates
Chartered Accountants

FRN: 125079W


Ravi A. Shah

(Proprietor)

Membership No. :116667

Place: Mumbai

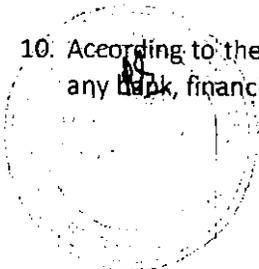
Date: June 28, 2014

Ravi A. Shah & Associates
Chartered Accountants

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Vile Parle West, Mumbai – 400056
+91 22 2613 5613 ; +91 98190 63558
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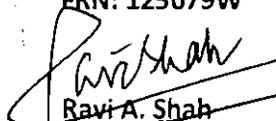
The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Saldhar Investments & Trading Co. Pvt. Ltd.. on the accounts of the company for the year ended 31st March, 2014.

1. In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities during the year are such that clauses i, ii, xiii, xvi, xvii, xviii, xix, xx are not applicable to the Company.
2. In our opinion and according to the information and explanations given to us, the Company has not granted or taken any loan, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
In view of the above, clause 4(iii) (b), (c), (d), (f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and for the sale of goods and services, if any and there have been no major weakness in the internal control procedure.
4. To the best of our knowledge and belief and according to the information and explanations given to us, in respect of transactions entered in the register required to be maintained in pursuance of Section 301 of the Companies Act, 1956:
 - a. all the transactions that needed to be entered into the register have been so entered.
 - b. the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
5. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
6. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
7. The requirements of maintaining cost accounts and records as prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
8. According to the information and explanations given to us in respect of statutory and other dues the Company has been regular in depositing undisputed statutory dues, including income tax, wealth tax, whenever applicable, with the appropriate authorities during the year.
9. In our opinion, the accumulated losses of the company are not more than fifty per cent of its net worth. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
10. According to the information and explanations given to us, the Company has not obtained any borrowings from any bank, financial institutions, or by way of debentures.



11. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other investments.
12. In respect of dealing in shares in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been maintained therein. The shares, securities, debentures and other securities have been held by the Company, in its own name.
13. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
14. Based upon the audit procedures and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Ravi A. Shah and Associates
Chartered Accountants
ERN: 125079W


Ravi A. Shah
(Proprietor)
Membership No. :116667

Place: Mumbai
Date: June 28, 2014

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2 (1)	100,000	100,000
(b) Reserves and surplus	2 (2)	63,811,164	60,090,226
(c) Money received against share warrants		-	-
		<u>63,911,164</u>	<u>60,190,226</u>
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2 (3)	10,911	22,621
(c) Other current liabilities		-	-
(d) Short-term provisions	2 (4)	49,520	200,000
		<u>60,431</u>	<u>222,621</u>
TOTAL		<u><u>63,971,595</u></u>	<u><u>60,412,847</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	2 (5)	61,743,138	59,887,524
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2 (6)	9,000	9,000
(e) Other non-current assets		-	-
		<u>61,752,138</u>	<u>59,896,524</u>
(2) Current Assets			
(a) Current investments	2 (7)	1,735,130	211,771
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	2 (8)	412,684	193,532
(e) Short-term loans and advances		-	-
(f) Other Current assets	2 (9)	71,643	111,020
		<u>2,219,457</u>	<u>516,323</u>
TOTAL		<u><u>63,971,595</u></u>	<u><u>60,412,847</u></u>

Significant Accounting Policies

Notes to the Balance Sheet

Other Notes

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

Ravi A. Shah, Proprietor

Membership No. 116667

Firm registration No. J25079W

Place: Mumbai

28 JUN 2014

1

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For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Director Director

Place: Mumbai

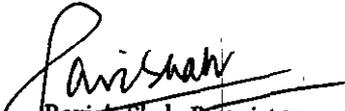
28 JUN 2014

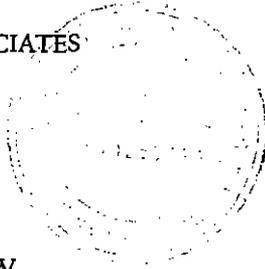
SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Statement of Profit and Loss For the Year Ended March 31, 2014

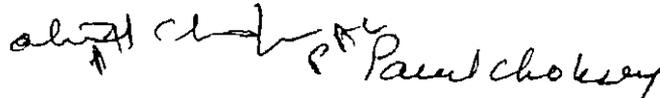
Particulars	Note No.	2013-2014	2012-2013
I. Revenue from operations	3 (1)	-	-
II. Other income	3 (2)	3,859,793	4,345,526
III. Total Revenue (I + II)		<u>3,859,793</u>	<u>4,345,526</u>
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	3 (3)	38,855	78,796
Total Expenses		<u>38,855</u>	<u>78,796</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		3,820,938	4,266,730
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		<u>3,820,938</u>	<u>4,266,730</u>
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		<u>3,820,938</u>	<u>4,266,730</u>
X. Tax Expenses:			
(1) Current Tax			
Income Tax		100,000	200,000
(Excess)/Short provision for previous years		-	73,120
(2) Deferred Tax		-	-
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		<u>3,720,938</u>	<u>3,993,610</u>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		<u>3,720,938</u>	<u>3,993,610</u>
XVI. Earnings per equity share: Basic & Diluted	3 (4)	372.09	399.36
Significant Accounting Policies	1		
Notes to the Statement of Profit and Loss	3		
Other Notes	4		

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai 28 JUN 2014



For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED


Director Director
Place: Mumbai 28 JUN 2014

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 2: Notes to the Balance Sheet

1 - SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at	As at
	March 31, 2014	March 31, 2013
Authorised Capital		
96,000 Equity Shares of Rs.10/- each	960,000	960,000
400 Non Cumulative Redeemable Preference Share of Rs.100/-	40,000	40,000
Issued Capital, Subscribed and Paid up		
10,000 Equity Shares of Rs 10/- each, fully paid up	100,000	100,000
	100,000	100,000

b. Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	Equity shares held	Percentage	No of Equity shares held	Percentage
Atul Choksey	4,750	47.50%	4,505	45.05%
Parul Choksey	4,755	47.55%	4,505	45.05%

c. Reconciliation of number of shares

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 2: Notes to the Balance Sheet

2 - RESERVES AND SURPLUS

Particulars	As at March 31, 2014	As at March 31, 2013
a. Capital Reserves	727,000	727,000
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	727,000	727,000
b. Capital Redemption Reserve		
Opening Balance	31,500	31,500
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	31,500	31,500
c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934		
Opening Balance	13,582,857	12,782,857
(+) Current Year Transfer	800,000	800,000
(-) Written Back in Current Year	-	-
Closing Balance	14,382,857	13,582,857
d. General Reserve :		
Opening Balance	36,967,096	36,967,096
(+) Current Year Transfer	400,000	-
(-) Written Back in Current Year	-	-
Closing Balance	37,367,096	36,967,096
c. Surplus		
Opening balance	8,781,773	5,588,163
(+) Net Profit/(Net Loss) For the current year	3,720,938	3,993,610
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Tax on Proposed Dividends	-	-
(-) Transfer to Reserves	1,200,000	800,000
Closing Balance	11,302,711	8,781,773
GRAND TOTAL	63,811,164	60,090,226

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at March 31, 2014	As at March 31, 2013
Trade Payables		
Due to Micro and Small Enterprises		
Other than Micro and Small Enterprises	10,911	22,621
	10,911	22,621

4 - SHORT-TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
Provison for Income Tax (Net of tax paid)	49,520	200,000
Total	49,520	200,000



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

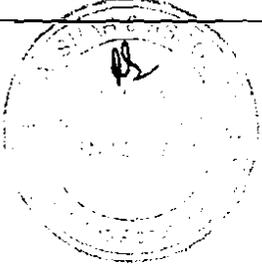
Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 2: Notes to the Balance Sheet

5 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
A. Trade Investments	-	-
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments		
<u>Quoted:</u>		
in Associate companies	-	-
in others	58,613,518	56,757,904
<u>Unquoted:</u>		
in Associate companies	-	-
in others	3,129,620	3,129,620
	61,743,138	59,887,524
TOTAL (A+B)	61,743,138	59,887,524
Less : Provision for diminution in the value of Investments	-	-
	61,743,138	59,887,524

Particulars	As at March 31, 2014	As at March 31, 2013
Aggregate amount of quoted investments	58,613,518	56,715,799
Aggregate amount of unquoted investments	3,129,620	3,129,620
Aggregate market value of quoted investments	171,906,805	148,004,543



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 2: Notes to the Balance Sheet

5 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	No. of Shares / Units		Amount in Rupees	
			March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Investment in Equity shares (Quoted)					
	- in Associate companies					
	- in others (non associate companies)					
	Alembic pharmaceuticals Ltd.	2	2,010	-	498,608	-
	ApcoTex Industries Limited	5	566,544	283,272	24,917,653	24,917,653
	Aditya Birla Nuvo Limited	10	239	239	105,628	105,628
	Asian Paints Limited	1	149,610	14,961	18,861,347	18,861,347
	Bajaj Auto Limited	10	110	35	213,590	63,910
	Dabur India Limited	1	11,975	11,100	1,479,204	1,327,443
	Exide Industries Limited	1	34	34	4,422	4,422
	Grasim Industries Limited	10	2,820	2,820	5,924,837	5,924,837
	HDFC Ltd.	2	2,566	2,046	1,093,700	689,248
	Hindustan Unilever Limited	1	-	748	-	105,579
	Kansai Nerolac Limited	10	425	425	90,637	90,637
	Kotak Mahindra Bank Ltd	5	550	-	400,026	-
	Larson & Toubro Limited	2	102	68	125,613	125,613
	Marico Ltd	1	2,082	282	451,069	61,476
	Marico Kaya Enterprises Ltd	10	5	-	9,178	-
	Reliance Industries Limited	10	2,270	2,270	1,937,365	1,937,365
	Tata Consultancy Services Limited	1	2,324	2,324	2,500,641	2,500,641
					58,613,518	56,715,799
2	Investment in Equity shares (Unquoted)					
	- in Associate companies					
	- in others (non associate companies)					
	Dhumraketu Investments & Tdg Co P. Ltd.	10	200	200	1,129,620	1,129,620
					1,129,620	1,129,620
3	Other non current Investment (Quoted)					
	Gold bees	100	-	15	-	42,105
						42,105
4	Other non current Investment (Unquoted)					
	Paintings				2,000,000	2,000,000
					2,000,000	2,000,000



6 - LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	9,000	9,000
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	9,000	9,000
c. Loans and advances to related parties *		
Secured, considered good	-	-
Unsecured, considered good, includes interest accrued and due	-	-
Doubtful	-	-
Less: Provision for Standard assets (0.25%) as required by RBI regulations	-	-
TOTAL	9,000	9,000



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2014

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	2013-2014	2012-2013
Other financial services	-	27
	-	27

2 - OTHER INCOME

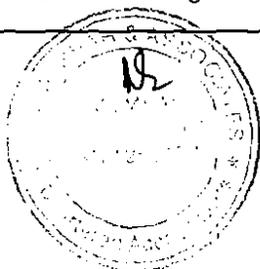
Particulars	2013-2014	2012-2013
<u>Dividend Income</u>		
from current investments	13,655	109,737
from Long term investments	3,456,111	3,385,077
<u>Net gain/loss on sale of investments</u>		
from current investments	58,681	(1,198)
from Long term investments	331,346	851,883
<u>Other non-operating income</u>		
Prior Period Income	-	-
Profit on sale of Fixed Asset	-	-
	3,859,793	4,345,526

3 - OTHER EXPENSES

Particulars	2013-2014	2012-2013
Profession Tax	2,500	2,500
Professional Fees	22,713	20,061
Demat Charges	938	7,063
Filing Fees	-	-
Filing Fees	2,400	7,800
Securities Transaction Tax	2,438	29,010
Depreciation	-	-
Audit Fees	7,866	7,866
Certification fees	-	4,496
Prior Period Expenses	-	-
	38,855	78,796

4 - EARNINGS PER EQUITY SHARES

Particulars	2013-2014	2012-2013
Basic & Diluted Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	3,720,938	3,993,610
Weighted average number of equity shares	10,000	10,000
Basic & Diluted Earnings Per Share of face value Rs.10/- each	372.09	399.36



NOTE 2: Notes to the Balance Sheet

7 - CURRENT INVESTMENTS

Particulars	No. of Shares / Units		As at	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Investments in Mutual Funds, Unquoted; at cost; fully paid up	90386.285	-	1,509,705	-
IDFC Money Manager Fund Treasury Plan Weekly div	22484.538	308,380	225,425	211,771
			1,735,130	211,771
Less : Provision for diminution in the value of Investments			1,735,130	211,771

Particulars	As at March 31, 2014	As at March 31, 2013
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	1,735,130	211,771
Aggregate market value of quoted investments	-	-

8 - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2014	As at March 31, 2013
a. Balances with banks	407,067	187,415
b. Cash on hand	5,617	6,117
	412,684	193,532

9 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Income Tax Paid (net of provisions)	-	49,531
Reimbursement receivable	71,643	61,489
	71,643	111,020



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 1: Significant accounting policies

Significant accounting policies

BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Method of Accounting

The Books of Accounts are maintained on accrual basis.

Investments

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

Provision for Taxation

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

Other Accounting Policies

These are consistent with the generally accepted accounting practices.

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 4: Other notes forming part of accounts

Accompanying notes to the financial statements for the year ended March 31, 2014

1. Expenditure in foreign currency - Nil, Previous year Nil.

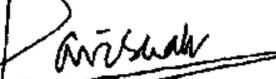
2. Earnings in foreign currency - Nil, Previous year Nil.

3. Information on related parties as required by Accounting Standard (AS)-18- Related Party Disclosures:

- | | |
|--|--|
| a. Holding/subsidiary companies - | None |
| c. Key Management Personnel - | Mr. Atul C. Choksey Director
Mrs. Parul Atul Choksey Director
Mr. Girish C. Choksey Director
Mrs. Devanshi Jaian Director |
| d. Entities / Person(s) controlling - Atul C. Choksey, Parul A. Choksey. | |

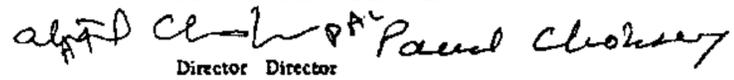
There are no related party transactions during the year

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai

28 JUN 2014

Signature to Note 1 to 4
For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED


Director Director

Place: Mumbai 28 JUN 2014

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



**36TH
Annual Report
2014-2015**

**SALDHAR INVESTMENTS AND
TRADING COMPANY PRIVATE
LIMITED**

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

REGISTERED OFFICE : N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg., Mumbai 400 020.

NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Company will be held at its Registered Office at N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai 400020 on ~~the 24th September, 2015~~ ; the 24th September, 2015 at 03:45 P.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Accounts for the year ended 31st March 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration

BY ORDER OF THE BOARD

Parul Choksey
Parul Choksey
CHAIRPERSON

Mumbai : 25 JUN 2015

Registered Office :
N K Mehta International House
178 Backbay Reclamation
Babubhai M Chinai Marg
Mumbai 400 020.

Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
NKM International house, 178 back bgay reclamation, Babubhai Chinoy Marg, , Mumbai
400020.CIN : U67120MH1979PTC021881 E-Mail ID :- apmaniar @apcotex .com

DIRECTORS' REPORT

To,
The Members,
SALDHAR INVESTMENTS AND TRADING COMPAY PRIVATE LIMITED

Your Directors have great pleasure in presenting the Thirty sixth Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2015.

FINANCIAL RESULTS:-

The performance of the Company for the financial year ended 31st March, 2015 is summarized as below:

Particulars	(Amount in Rs.)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Income from operations and other income	42,84,018	38,59,793
Total Expenditures	64,139	38,855
Net Profit before Taxation	42,19,879	38,20,938
Less: Provision for Taxation	-	-
- Current Tax	-	100000
- Excess / (Short) Provision	12,072	-
Net Profit/(Loss) after Tax	42,07,807	37,20,938
Profit/(Loss) for the year	42,07,807	37,20,938

PERFORMANCE:-

During the year under review, the Company has gain profit of Rs. 42,07,807/- (Rupees Forty Two Lac seven Thousand Eight Hundred and Seven Only) against the profit earned in the Previous Year profit of Rs. 37,20,938/- (Thirty Seven Lac Twenty Thousand Nine Hundred Thirty Eight only)

TRANSFER TO RESERVES:

The Company does not propose to transfer any amount to general reserve out of the amount available for appropriation.

DIRECTORS:-

There was no change in the composition of the Board of Directors of the Company during the year under review.

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



EXTRACT OF ANNUAL RETURN:-

The details forming part of the extract of Annual Return in Form MGT-9 is annexed to this Report as **Annexure A**.

SHARE CAPITAL OF THE COMPANY:

The paid up share capital of the Company is Rs.5,00,000/- (Rupees Five Lakh only) divided into 50,000 (Fifty thousand) Equity Shares of Rs.10/- (Rupees Ten only).

MEETINGS OF THE BOARD:-

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The Board met 4 (**Four**)times during the year on 28th April, 2014, 24th June, 2014,16th October, 2014 and 10th February, 2015 and the intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013.

PUBLIC DEPOSITS:-

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:-

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013 state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) 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.

STATUTORY AUDITORS:-

M/s. Ravi A. Shah & Associates, Chartered Accountants, Mumbai, have been appointed as Statutory Auditors of the Company at the last Annual General Meeting held on 25th September, 2014 ratification by members at consequent Annual General Meeting. Therefore, ratification for the

appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act 2013. The Board recommend for their appointment at the ensuing Annual General Meeting of the Company.

AUDITORS' REPORT:-

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:-

During the year under review, there were no loans, guarantees and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:-

There was no contract or arrangements made with related parties as defined under section 188(1) of the Companies Act, 2013, during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:-

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

PARTICULARS OF EMPLOYEES:-

There were / were no employees of the Company during the financial year ended March 31, 2015, as are required to be mentioned under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company for the year under review

SIGNIFICANT AND MATERIAL ORDERS

No significant or material order has been passed by the regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of internal control with reference to the Financial Statements to commensurate with its size and nature of operations. The system of internal controls ensures that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized and reported correctly. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is/ not applicable to the Company.

DETAILS OF DIRECTORS/KEY MANAGERIAL PERSON APPOINTED/RESIGNED DURING THE YEAR.

There were no directors/key managerial personnel appointed by the company during the year under review.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:-

Conservation of Energy and Technology Absorption

The Particulars as pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption, etc. are not given as the same is not applicable to the Company.

Foreign Exchange Earning and Outgo

Your Company's foreign exchange earnings are Rs. NIL (previous year Rs. NIL) and outflow during the period was Rs. NIL/- (previous year Rs. NIL).

ACKNOWLEDGEMENT:-

The Company has been well supported from all the quarters and therefore your director wish to place on record sincere appreciation for the support and cooperation received from Employees, Dealers, Suppliers, Government Authorities, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

For and on behalf of the Board of Directors
For Saldhar Investments and Trading company Privaye Limited,

Atul Choksey *Parul Choksey*

Atul Choksey Parul Choksey
Director Director
DIN:00002102 DIN: 00002110

Place: Mumbai
Date: :

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 NKM International house, 178 back bgay reclamation, Babubhai Chinoy Marg, , Mumbai
 400020.CIN : U67120MH1979PTC021881 E-Mail ID :- apmaniar @apcotex .com

Annexure I

**FORM NO. MGT 9
 EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
 (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U67120MH1979PTC021881
2.	Registration Date	12/11/1979
3.	Name of the Company	SALDHAR INVESTEMENTS AND TRADING COMPANY PRIVATE LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	NKM International House, 178, Back bay Relamation , Babu bhai Chinai Marg , Mumbai-400020
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Interest (Tax Free)	99711900	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable Section
NOT APPLICABLE					

i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10000	10000	100	-	10000	10000	100	-

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dhumraketu Investements and Trading company Private limited	495	4.95%	-	495	4.95%	-	Nil
2	Atul Choksey	4750	47.50%	-	4750	47.50%	-	Nil
3	Parul Choksey	4755	47.55%	-	4755	47.55%	-	NIL

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Changes During The Year			
3	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Atul Champaklal Choksey	4750	47.50	4750	47.50
2	Parul Atul Choksey	4755	47.55	4755	47.55

INDEBTEDNESS -

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,	-	-	-	-	-	-

	1961						
2	Stock Option	-	-	-	--	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5	Others, please	-	-	-	-	-	-
	Total (A)						
	Ceiling as per the Act						

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
-	Independent Directors					
	Fee for attending board committee meetings	-	-	-	--	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
-	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	--	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

	- as % of profit				
	Others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board of Directors
For Saldhar Investments and Trading company Privaye Limited,

Atul Choksey *Parul Choksey*

Atul Choksey Parul Choksey
Director Director
DIN:00002102 DIN: 00002110

Place: Mumbai

Date: 29 JUN 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saldhar Investments and Trading Company Private Limited.

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Saldhar Investments and Trading Company Private Limited ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

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

Opinion

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

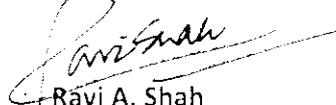
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position
 - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Ravi A. Shah and Associates.
Chartered Accountants
FRN: 125079W


Ravi A. Shah
(Proprietor)
Membership No. :116667

Place: Mumbai
Date: June 25, 2015

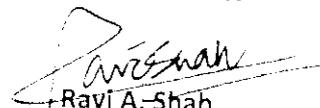
Ravi A. Shah & Associates
Chartered Accountants

10, Shriniket Apts, 23, Bajaj Road
Vile Parle West, Mumbai – 400056
+91 22 2613 5613 ; +91 98190 63558
rasassociates@gmail.com

The Annexure referred to in our Report of even date to the members of Saldhar Investments and Trading Company Private Limited on the accounts of the company for the year ended 31st March, 2015. On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In our opinion and according to the information and explanations given to us, matters specified in clauses i and ii of paragraph 3 of the Companies (Auditor's Report) Order, 2015 ("the Order") do not apply to the Company.
2. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regards to purchase of inventory and fixed assets and sale of goods and services. There is no major weakness in the internal control procedures.
4. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
5. To the best of our knowledge and belief and according to the information and explanations given to us, the requirements of maintaining cost accounts and records as prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act are not applicable to the Company.
6. According to the information and explanations given to us in respect of statutory and other dues the Company has been regular in depositing undisputed statutory dues, including income tax, wealth tax, service tax, etc. whenever applicable, with the appropriate authorities during the year.
7. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current and immediately preceding financial year.
8. According to the information and explanations given to us, the Company has not obtained any borrowings from any bank, financial institutions, or by way of debentures.
9. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
10. According to the information and explanations given to us, the Company has not obtained any term loans.
11. Based upon the audit procedures and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Ravi A. Shah and Associates.
Chartered Accountants
FRN: 125079W


Ravi A. Shah
(Proprietor)
Membership No. :116667

Place: Mumbai
Date: June 25, 2015

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Balance sheet as at March 31 2015

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2 (1)	100,000	100,000
(b) Reserves and surplus	2 (2)	68,018,971	63,811,164
(c) Money received against share warrants		-	-
		<u>68,118,971</u>	<u>63,911,164</u>
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2 (3)	17,372	10,911
(c) Other current liabilities		-	-
(d) Short-term provisions	2 (4)	211	49,520
		<u>17,583</u>	<u>60,431</u>
TOTAL		<u><u>68,136,554</u></u>	<u><u>63,971,595</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	2 (5)	61,743,138	61,743,138
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2 (6)	9,000	9,000
(e) Other non-current assets		-	-
		<u>61,752,138</u>	<u>61,752,138</u>
(2) Current Assets			
(a) Current investments	2 (7)	5,491,752	1,735,130
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	2 (8)	871,515	412,684
(e) Short-term loans and advances		-	-
(f) Other Current assets	2 (9)	21,149	71,643
		<u>6,384,416</u>	<u>2,219,457</u>
TOTAL		<u><u>68,136,554</u></u>	<u><u>63,971,595</u></u>

Significant Accounting Policies 1

Notes to the Balance Sheet 2

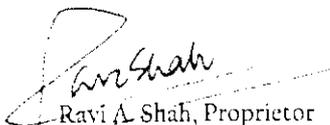
Other Notes 4

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED


Ravi A. Shah, Proprietor

Membership No. 116667

Firm registration No. 125079W

Place: Mumbai

Date 25.03.2015



Director Director

Place: Mumbai

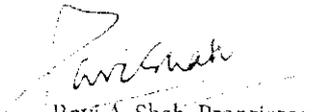
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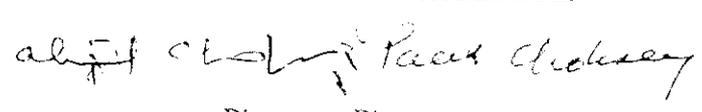
SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Profit and Loss statement for the year ended March 31, 2015

Particulars	Note No.	2014-2015	2013-2014
I. Revenue from operations	3 (1)	-	-
II. Other income	3 (2)	4,284,018	3,859,793
III. Total Revenue (I + II)		<u>4,284,018</u>	<u>3,859,793</u>
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	3 (3)	64,139	38,855
Total Expenses		<u>64,139</u>	<u>38,855</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		4,219,879	3,820,938
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		<u>4,219,879</u>	<u>3,820,938</u>
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		4,219,879	3,820,938
X. Tax Expenses:			
(1) Current Tax			
Income Tax		-	100,000
(Excess)/Short provision for previous years		12,072	-
(2) Deferred Tax		-	-
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		<u>4,207,807</u>	<u>3,720,938</u>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		<u>4,207,807</u>	<u>3,720,938</u>
XVI. Earnings per equity share: Basic & Diluted	3 (4)	420.78	372.09
Significant Accounting Policies	1		
Notes to the Statement of Profit and Loss	3		
Other Notes	4		

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No.125079W
Place: Mumbai
Date: 25 JUN 2015


Director Director

Place : Mumbai
Date :

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Cash Flow Statement For the year ended March 31, 2015

(Amount in Rs.)

	Year ended March 31, 2015	Year ended March 31, 2014
<u>A. Cash Flow from Operating Activities</u>		
Net profit before tax as per P&L account	4,219,879	3,820,938
<u>Adjustments for:</u>		
(Profit)/loss on sale of assets	-	-
Depreciation	-	-
Sundry Balance written off - non cash expenditure	-	-
(Profit)/loss on sale of Investments	(767)	(390,027)
Dividend received	(4,283,251)	(3,469,766)
Operating Profit before Working Capital changes	(64,139)	(38,855)
<u>Adjustments for:</u>		
(Increase)/Decrease in other current assets	50,494	(10,154)
Increase/(Decrease) in trade payables	6,461	(11,498)
Increase/(Decrease) in other current liabilities	-	-
CASH GENERATED FROM OPERATIONS	(7,184)	(60,507)
Income tax Paid	(82,530)	(180,011)
Net Cash inflow from/ (outflow) from Operating activities	(89,714)	(240,518)
<u>B. Cash Flow from Investing Activities</u>		
Purchase of investments - Non current	-	(2,003,299)
Purchase of investments - Current	(3,755,854)	(2,963,655)
Sale Proceeds from investments - Non current	-	478,006
Sale Proceeds from investments - Current	-	1,500,000
Dividend received	4,283,251	3,469,766
Net Cash inflow from/ (outflow) from Investing activities	527,397	480,818
<u>C. Cash Flow from Financing Activities</u>		
Dividend paid	-	-
Net Cash inflow from/ (outflow) from Financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	437,683	240,300
Opening Cash and Cash Equivalents		
Cash in hand	5,618	6,117
Bank balances	407,066	187,415
	412,684	193,532
Closing Cash and Cash Equivalents		
Cash in hand	5,817	5,618
Bank balances	865,698	407,066
	871,515	412,684

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai
Date

Director Director

Place: Mumbai
Date

25 JUN 2015

SAIDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

1 - SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at	
	March 31, 2015	March 31, 2014
Authorised Capital		
96,000 Equity Shares of Rs.10/- each	960,000	960,000
400 Non Cumulative Redeemable Preference Share of Rs.100/-	40,000	40,000
Issued Capital, Subscribed and Paid up		
10,000 Equity Shares of Rs 10/- each, fully paid up	100,000	100,000
	100,000	100,000

b. Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	Equity shares held	Percentage	No of Equity shares held	Percentage
Atul Choksey	4,750	47.50%	4,750	47.50%
Parul Choksey	4,755	47.55%	4,755	47.55%

c. Reconciliation of number of shares

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

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SAI DHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

2 - RESERVES AND SURPLUS

Particulars	As at March 31, 2015	As at March 31, 2014
a. Capital Reserves		
Opening Balance	727,000	727,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	727,000	727,000
b. Capital Redemption Reserve		
Opening Balance	31,500	31,500
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	31,500	31,500
c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934		
Opening Balance	14,382,857	13,582,857
(+) Current Year Transfer	900,000	800,000
(-) Written Back in Current Year	-	-
Closing Balance	15,282,857	14,382,857
d. General Reserve :		
Opening Balance	36,967,096	36,967,096
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	36,967,096	36,967,096
e. Surplus		
Opening balance	11,702,711	8,781,773
(*) Net Profit/(Net Loss) For the current year	4,207,807	3,720,938
(*) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Tax on Proposed Dividends	-	-
(-) Transfer to Reserves	900,000	800,000
Closing Balance	15,010,518	11,702,711
GRAND TOTAL	68,018,971	63,811,164

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SALDIAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at March 31, 2015	As at March 31, 2014
Trade Payables *		
Due to Micro and Small Enterprises	17,372	10,911
Other than Micro and Small Enterprises	17,372	10,911

4 - SHORT-TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
Provison for Income Tax (Net of tax paid)	211	49,520
Total	211	49,520



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

5 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2015	As at March 31, 2014
A. Trade Investments		
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments		
Quoted:		
in Associate companies		
in others	58,613,518	58,613,518
Unquoted:		
in Associate companies		
in others	3,129,620	3,129,620
TOTAL (A+B)	61,743,138	61,743,138
Less: Provision for diminution in the value of Investments	61,743,138	61,743,138
	61,743,138	61,743,138

Particulars	As at March 31, 2015	As at March 31, 2014
Aggregate amount of quoted investments	58,613,518	58,613,518
Aggregate amount of unquoted investments	3,129,620	3,129,620
Aggregate market value of quoted investments	429,595,081	171,906,805

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet
5 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	No. of Shares / Units			Amount in Rupees	
			March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	
1	<u>Investment in Equity shares (Quoted)</u>						
	<u>- in Associate companies</u>						
	<u>- in others (non associate companies)</u>						
	Alembic pharmaceuticals Ltd.	2	2,010	2,010	498,608	498,608	
	Apeotex Industries Limited	5	566,544	566,544	24,917,653	24,917,653	
	Aditya Birla Nuvo Limited	10	239	239	105,628	105,628	
	Asian Paints Limited	1	149,610	149,610	18,861,347	18,861,347	
	Bajaj Auto Limited	10	110	110	213,590	213,590	
	Dabur India Limited	1	11,975	11,975	1,479,204	1,479,204	
	Exide Industries Limited	1	34	34	4,422	4,422	
	Grasim Industries Limited	10	2,820	2,820	5,924,837	5,924,837	
	HDFC Ltd	2	2,566	2,566	1,093,700	1,093,700	
	Kansai Nerolac Limited	1	4,250	4,250	90,637	90,637	
	Kotak Mahindra Bank Ltd	5	550	550	400,026	400,026	
	Larsen & Toubro Limited	2	102	102	125,613	125,613	
	Marico Ltd	1	2,082	2,082	451,069	451,069	
	Marico Kaya Enterprises Ltd	10	5	5	9,178	9,178	
	Reliance industries Limited	10	2,270	2,270	1,937,365	1,937,365	
	Tata Consultancy Services Limited	1	2,324	2,324	2,500,641	2,500,641	
					58,613,518	58,613,518	
2	<u>Investment in Equity shares (Unquoted)</u>						
	<u>- in Associate companies</u>						
	<u>- in others (non associate companies)</u>						
	Dhumraketu Investments & Tdg Co P. Ltd.	10		200	1,129,620	1,129,620	
					1,129,620	1,129,620	
3	<u>Other non current Investment (Unquoted)</u>						
	Paintings				2,000,000	2,000,000	
					2,000,000	2,000,000	

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

6 - LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2015	As at March 31, 2014
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	-	-
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	9,000	9,000
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	9,000	9,000
c. Loans and advances to related parties *		
Secured, considered good	-	-
Unsecured, considered good, includes interest accrued and due	-	-
Doubtful	-	-
Less: Provision for Standard assets (0.25%) as required by RBI regulations	-	-
	-	-
TOTAL	9,000	9,000

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 2: Notes to the Balance Sheet

7 - CURRENT INVESTMENTS

Particulars	No. of Shares / Units		As at	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Investments in Mutual Funds; Unquoted; at cost; fully paid up				
IDFC ultra short term fund Growth	304214.975	90386.285	5,491,752	1,509,705
IDFC Money Manager Fund Treasury Plan Weekly div	0	22,485	-	225,425
			5,491,752	1,735,130
Less : Provision for diminution in the value of Investments			5,491,752	1,735,130

Particulars	As at March 31, 2015	As at March 31, 2014
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	5,491,752	1,735,130
Aggregate market value of quoted investments	-	-

8 - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2015	As at March 31, 2014
a. Balances with banks	865,698	407,066
b. Cash on hand	5,817	5,618
	871,515	412,684

9 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2015	As at March 31, 2014
Income Tax Paid (net of provisions)	-	-
Reimbursement receivable	21,149	71,643
	21,149	71,643

ALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2015

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	2014-2015	2013-2014
Other financial services	-	-
	-	-
	-	-

2 - OTHER INCOME

Particulars	2014-2015	2013-2014
<u>Dividend Income</u>		
from current investments	5,853	13,655
from Long term investments		
<u>Net gain/loss on sale of investments</u>	4,277,398	3,456,111
from current investments		
from Long term investments	767	58,681
<u>Other non-operating income</u>		331,346
Prior Period Income		
Profit on sale of Fixed Asset		
	4,284,018	3,859,793

3 - OTHER EXPENSES

Particulars	2014-2015	2013-2014
Profession Tax		
Professional Fees	2,500	2,500
Demat Charges	37,698	15,631
Filing Fees	667	938
Securities Transaction Tax	800	2,400
Depreciation		2,438
Auditors' remuneration - Audit Fees	10,112	7,866
Auditors' remuneration - Certification fees	12,362	7,082
	64,139	38,855

4 - EARNINGS PER EQUITY SHARES

Particulars	2014-2015	2013-2014
Basic & Diluted Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	4,207,807	3,720,938
Weighted average number of equity shares	10,000	10,000
Basic & Diluted Earnings Per Share of face value Rs.10/- each	420.78	372.09

13

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 1: Significant accounting policies

Significant accounting policies

BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Method of Accounting

The Books of Accounts are maintained on accrual basis.

Investments

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

Provision for Taxation

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

Other Accounting Policies

These are consistent with the generally accepted accounting practices.

Previous year figures

Previous years' figures are regrouped/rearranged wherever necessary.

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

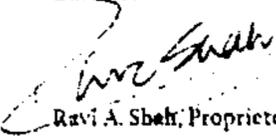
NOTE 4: Other notes forming part of accounts

Accompanying notes to the financial statements for the year ended March 31, 2012

1. Expenditure in foreign currency - Nil, Previous year Nil.
2. Earnings in foreign currency - Nil, Previous year Nil.
3. Information on related parties as required by Accounting Standard (AS)-18 'Related Party Disclosures'
 - a. Holding/subsidiary companies - None
 - b. Key Management Personnel -

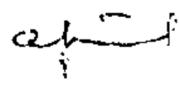
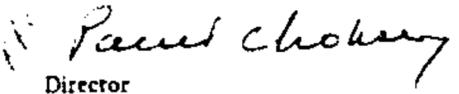
Mr. Atul C. Choksey	Director
Mrs. Parul Atul Choksey	Director
Mr. Girish C. Choksey	Director
Mrs. Devanshi Jalan	Director
 - c. Entities Person(s) controlling - Atul C. Choksey, Parul A. Choksey.
4. There are no related party transactions during the year.

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai
Date: 25 JUN 2015

For Saldhar Investments And Trading Company Private Limited

Signature to Note 1 to 4
For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

 
Director Director

Place: Mumbai
Date: 25 JUN 2015



Director / Authorised Signatory

**37TH
Annual Report
2015-2016**

**SALDHAR INVESTMENTS AND
TRADING COMPANY PRIVATE
LIMITED**

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

REGISTERED OFFICE : N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai 400 020.

NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Company will be held at its Registered Office at N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai 400020 on Thursday the 29th September, 2016 at 03:45 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Accounts for the year ended 31st March 2016 and the Reports of the Directors and Auditors thereon.
2. Any other Matter with the permission of the chairperson

BY ORDER OF THE BOARD

Parul Choksey

Parul Choksey
CHAIRPERSON

Mumbai : 8th September 2016

Registered Office :
N K Mehta International House
178 Backbay Reclamation
Babubhai M Chinai Marg
Mumbai 400 020.

Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

For Saldhar Investments And Trading Company Private Limited

[Handwritten Signature]

Director / Authorised Signatory



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NKM International house, 178 Backbay reclamation, Babubhai Chinai Marg, , Mumbai
400020.CIN : U67120MH1979PTC021881 E-Mail ID :- apmaniar @apcotex .com

DIRECTORS' REPORT

To,
The Members,
SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Your Directors have great pleasure in presenting the Thirty Seventh Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2016.

FINANCIAL RESULTS:-

The performance of the Company for the financial year ended 31st March, 2016 is summarized as below:

(Amount in Rs.)

Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015
Income from operations and other income	62,58,824	42,84,018
Total Expenditures	34,37,080	64,139
Net Profit before Taxation	3437080	42,19,879
Less: Provision for Taxation		-
- Current Tax	100000	-
- Excess / (Short) Provision	139299	12,072
Net Profit/(Loss) after Tax	2861043	42,07,807
Profit/(Loss) for the year	2861043	42,07,807

AMALGAMATION

The scheme of amalgamation whereby the transferor companies viz. Titan Trading and Agencies Limited, Trivikram Investments and Trading Company Limited and Dhumraketu Investments and Trading Company Private Limited have amalgamated into the company. The said scheme has been approved by order of the Hon'ble High Court of Judicature at Bombay on August 12, 2016. The appointed date of the said scheme is January 1, 2016 and the same was made effective on September 6, 2016.

For Saldhar Investments And Trading Company Private Limited



Director / Authorised Signatory



The financial statements have been prepared giving effect to the amalgamation (Summary of which have been given above) aforesaid financial statements for the year ended March 31, 2016 have therefore been prepared after giving effect to the above scheme. Further, as per the scheme, the accounting has been done in accordance with the Purchase Method of accounting as specified in Accounting Standard (AS)-14 'Accounting for Amalgamations' based on the financial position of the transferor companies as on appointed date. Further, the statutory reserve (in terms of section 45-IC of the Reserve Bank of India Act, 1934) of the transferor companies is reflected under the same form in the aforesaid financial statements and a corresponding debit to Amalgamation Adjustment A/c. is made. Accordingly an amount of Rs.4,90,79,667/- is reflected as Amalgamation Adjustment A/c. under Other Non Current Assets.

PERFORMANCE:-

During the year under review, the Company has gain profit of Rs. 28,61,043/- (Rupees Twenty Eight Lakh Sixty One Thousand Forth Three Only) against the profit earned in the Previous Year profit of Rs. 42,07,807/- (Forty two lakh Seven thousand Eight Hundred and seven only

TRANSFER TO RESERVES:

The Company transferred Rs.228,12,76,882 As capital reserve on amalgamation.

DIRECTORS:-

There was no change in the composition of the Board of Directors of the Company during the year under review.

EXTRACT OF ANNUAL RETURN:-

The details forming part of the extract of Annual Return in Form MGT-9 is annexed to this Report as Annexure A.

SHARE CAPITAL OF THE COMPANY:

The paid up share capital of the Company has increased to Rs.45,00,000/- (Rupees Forth Five Five Lakh only) divided into 4,46,000 (Four Lakh Forth Six thousand Equity Shares of Rs.10/- (Rupees Ten only). And 400 (400 Preference shares of Rs.100 (Rupees Hundred only) Pursuant to the merger company has issued 40,727 Equity shares so paid up capital of the company becomes Rs.5,02,320

MEETINGS OF THE BOARD:-

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The Board met 5 (Five)times during the year on 27th April, 2015, 25th June, 2015,30th September 2015, 30th November 2015, 1st February 2016, and the intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013.

PUBLIC DEPOSITS:-

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:-

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013 state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) 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.

AUDITORS' REPORT:-

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:-

During the year under review, there were no loans, guarantees and investments made by the Company under the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:-

There was no contract or arrangements made with related parties as defined under section 188(1) of the Companies Act, 2013, during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:-

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

PARTICULARS OF EMPLOYEES:-

There were / were no employees of the Company during the financial year ended March 31, 2016, as are required to be mentioned under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company for the year under review

SIGNIFICANT AND MATERIAL ORDERS

No significant or material order has been passed by the regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of internal control with reference to the Financial Statements to commensurate with its size and nature of operations. The system of internal controls ensures that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized and reported correctly. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is/ not applicable to the Company.

DETAILS OF DIRECTORS/KEY MANAGERIAL PERSON APPOINTED/RESIGNED DURING THE YEAR.

There were no directors/key managerial personnel appointed by the company during the year under review.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of

Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:-

Conservation of Energy and Technology Absorption

The Particulars as pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption, etc. are not given as the same is not applicable to the Company.

Foreign Exchange Earning and Outgo

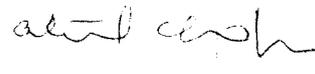
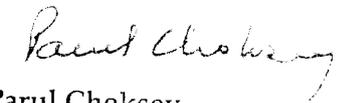
Your Company's foreign exchange earnings are Rs. NIL (previous year Rs. NIL) and outflow during the period was Rs. NIL/- (previous year Rs. NIL).

ACKNOWLEDGEMENT:-

The Company has been well supported from all the quarters and therefore your director wish to place on record sincere appreciation for the support and cooperation received from Employees, Dealers, Suppliers, Government Authorities, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

For and on behalf of the Board of Directors
For Saldhar Investments and Trading company Privaye Limited,

Atul Choksey Parul Choksey
Director Director
DIN:00002102 DIN: 00002110

Place: Mumbai
Date: 8th September 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 NKM International house, 178 b ack backbay reclamation, Babubhai Chinai Marg, , Mumbai
 400020.CIN : U67120MH1979PTC021881 E-Mail ID :- apmaniar @apcotex .com

Annexure I

**FORM NO. MGT 9
 EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March, 2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
 (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U67120MH1979PTC021881
2.	Registration Date	12/11/1979
3.	Name of the Company	SALDHAR INVESTEMENTS AND TRADING COMPANY PRIVATE LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	NKM International House, 178, Back bay Reclamation , Babu bhai Chinai Marg , Mumbai-400020
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Interest (Tax Free)	99711900	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable Section
------------	----------------------------------	-----------	--	------------------------	-----------------------

i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10000	10000	100	-	10000	10000	100	-

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Dhumraketu Investments and Trading company Private limited	495	4.95%	-	495	4.95%	-	Nil
2	Atul Choksey	4750	47.50%	-	4750	47.50%	-	Nil
	Parul Choksey	4755	47.55%	-	4755	47.55%	-	NIL

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year:	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Changes During The Year			
3	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Atul Champaklal Choksey	4750	47.50	4750	47.50
2	Parul Atul Choksey	4755	47.55	4755	47.55

INDEBTEDNESS -

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,	-	-	-	-	-	-

	1961						
2	Stock Option	-	-	-	--	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5	Others, please	-	-	-	-	-	-
	Total (A)						
	Ceiling as per the Act						

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
-	Independent Directors					
	Fee for attending board committee meetings	-	-	-	--	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
-	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	--	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

	- as % of profit				
	Others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board of Directors
For Saldhar Investments and Trading company Private Limited,

Atul Choksey *Parul Choksey*

Atul Choksey Parul Choksey
Director Director
DIN:00002102 DIN: 00002110

Place: Mumbai
Date: 8th September 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saldhar Investments and Trading Co. Pvt. Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Saldhar Investments and Trading Co. Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year then ended, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

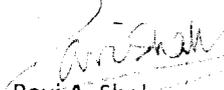
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy to the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
 - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position
 - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Ravi A. Shah & Associates
Chartered Accountants
FRN: 125079W


Ravi A. Shah
Proprietor
Membership No. :116667
Place: Mumbai
Date: September 8, 2016

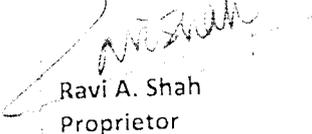
Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date to the members of Saldhar Investments and Trading Co. Pvt. Ltd. on the accounts of the company for the year ended 31st March, 2016.

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

1. The company does not have fixed assets. Accordingly, the requirements of reporting under clause (i) are not applicable.
2. The company does not have inventory. Accordingly, the requirements of reporting under clause (ii) are not applicable.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, Paragraph 3 (iii) of the Order, 2016 is not applicable.
4. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act 2013 are complied with as applicable.
5. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public in accordance with the provision of Section 73 and 76 and the rules framed there under.
6. The requirements of maintaining cost accounts and records as prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 are not applicable to the Company
7. (a) According to the information and explanations given to us in respect of statutory and other dues the Company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year.
(b) According to the information and explanations given to us clause there are no such dues which are not deposited on account of any dispute
8. According to the information and explanations given to us, the Company has not obtained any borrowings from any bank, financial institutions, or by way of debentures and hence reporting under clause 3(viii) are not applicable and not commented upon.
9. According to the information and explanations given to us and based on the documents and records produced to us, during the year, the Company has not raised any money by way of initial public offer or further public offer or term loans and hence reporting under clause 3(ix) are not applicable and not commented upon.
10. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, we report that no fraud on the company or by the officers or employees of the Company has been noticed or reported during the year.
11. According to the information and explanations given to us and based on the documents and records produced to us, no managerial remuneration has been paid or provided, hence reporting under clause 3(xii) are not applicable and not commented upon.
12. In our opinion the company is not a nidhi company, hence reporting under clause 3(xiii) are not applicable and not commented upon.
13. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, transactions with related parties are in compliance with section 188 of Companies Act 2013 where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) in so far as it relates section 177 of the Act is not applicable and hence not commented upon.

14. According to the information and explanations given to us and on overall examination of balance sheet, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, accordingly, paragraph 3 (xiv) of the Order, 2016 is not applicable and hence not commented upon.
15. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given to us by the management, the company has entered into any non-cash transactions with directors or persons connected with him.
16. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained Certificate of Registration.

For Ravi A. Shah & Associates
Chartered Accountants
FRN: 125079W


Ravi A. Shah
Proprietor
Membership No. :116667
Place: Mumbai
Date: September 8, 2016

Annexure 2 referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of SALDHAR INVESTMENTS AND TRADING CO. PVT. LTD.

We have audited the internal financial controls over financial reporting of SALDHAR INVESTMENTS AND TRADING CO. PVT. LTD. ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

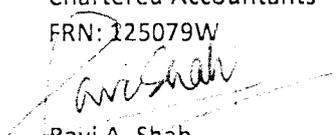
In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standard on Auditing issued by the institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of SALDHAR INVESTMENTS AND TRADING CO. PVT. LTD. ("the company"), which comprise the Balance Sheet as at March 31 2016, and the related Statement of Profit and Loss and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, and our report dated September 8, 2016 expressed an unqualified opinion thereon.

For Ravi A. Shah & Associates
Chartered Accountants

FRN: 125079W



Ravi A. Shah

Proprietor

Membership No. :116667

Place: Mumbai

Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Balance Sheet as at March 31, 2016

(Rs.)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2 (1)	100,000	100,000
(b) Share suspense account	2 (1)	402,320	-
(c) Reserves and surplus	2 (2)	2,401,236,563	68,018,971
(d) Money received against share warrants		-	-
		<u>2,401,738,883</u>	<u>68,118,971</u>
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2 (3)	2,175,660	17,372
(c) Other current liabilities	2 (4)	191,603	-
(d) Short-term provisions	2 (5)	-	211
		<u>2,367,263</u>	<u>17,583</u>
TOTAL		<u><u>2,404,106,146</u></u>	<u><u>68,136,554</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	2 (6)	2,287,256,778	61,743,138
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2 (7)	-	9,000
(e) Other non-current assets - Amalgamation Adj. A/c.	2(8)	49,079,667	-
		<u>2,336,336,445</u>	<u>61,752,138</u>
(2) Current Assets			
(a) Current investments	2 (9)	53,578,973	5,491,752
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	2 (10)	13,168,835	871,515
(e) Short-term loans and advances		-	-
(f) Other Current assets	2 (11)	1,021,893	21,149
		<u>67,769,701</u>	<u>6,384,416</u>
TOTAL		<u><u>2,404,106,146</u></u>	<u><u>68,136,554</u></u>

Significant Accounting Policies

1

Notes to the Balance Sheet

2

Other Notes

4

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Ravi Shah

Ravi Shah

Ravi Choksey

Ravi A. Shah, Proprietor

Director Director

Membership No. 116667

Firm registration No.125079W

Place: Mumbai

Place: Mumbai

Date: September 8, 2016

Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Profit and Loss statement for the year ended March 31, 2016

(Rs.)

Particulars	Note No.	2015-16	2014-2015
I. Revenue from operations	3 (1)	39,552	-
II. Other income	3 (2)	6,219,272	4,284,018
III. Total Revenue (I + II)		<u>6,258,824</u>	<u>4,284,018</u>
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	3 (3)	87,535	64,139
Total Expenses		<u>87,535</u>	<u>64,139</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		6,171,289	4,219,879
VI.		<u>3,349,545</u>	-
VII. Profit before extraordinary items and tax (V-VI)		2,821,744	4,219,879
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		2,821,744	4,219,879
X. Tax Expenses:			
(1) Current Tax			
Income Tax		100,000	-
(Excess)/Short provision for previous years		-	12,072
(2) Deferred Tax		139,299	-
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		2,861,043	4,207,807
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		<u>2,861,043</u>	<u>4,207,807</u>
XVI. Earnings per equity share: Basic & Diluted	3 (4)	286.10	420.78
Significant Accounting Policies	1		
Notes to the Statement of Profit and Loss	3		
Other Notes	4		

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No.125079W
Place: Mumbai
Date: September 8, 2016

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Director Director

Place : Mumbai
Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Cash Flow Statement For the year ended March 31, 2016

	2015 - 2016	2014 - 2015
A. Cash Flow from Operating Activities		
Net profit before tax as per P&L account	2,821,744	4,219,879
<u>Adjustments for:</u>		
Depreciation		
(Profit)/loss on sale of Investments	(404,118)	(767)
Dividend received	(5,815,154)	(4,283,251)
Operating Profit before Working Capital changes	(3,397,528)	(64,139)
<u>Adjustments for:</u>		
(increase)/Decrease in other current assets (excluding Income Tax)	(128,013)	71,642
Increase/(Decrease) in trade payables	1,968,108	6,461
Increase/(Decrease) in other current liabilities	191,603	-
CASH GENERATED FROM OPERATIONS	(1,365,830)	13,964
Income tax Paid	(124,308)	(82,530)
Net Cash inflow from/ (outflow) from Operating activities	(1,490,138)	(68,566)
B. Cash Flow from Investing Activities		
Purchase of investments - Non current	(10,267,513)	-
Purchase of investments - Current	(34,759,506)	(3,755,854)
Sale Proceeds from investments - Non current	6,645,000	-
Sale Proceeds from investments - Current	44,630,905	-
Cash and cash equivalents as on appointed date of transferor companies pursuant to amalgamation	1,723,418	-
Dividend received	5,815,154	4,283,251
Net Cash inflow from/ (outflow) from Investing activities	13,787,458	527,397
C. Cash Flow from Financing Activities		
Dividend paid	-	-
Net Cash inflow from/ (outflow) from Financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	12,297,320	458,831
Opening Cash and Cash Equivalents		
Cash in hand	5,817	5,618
Bank balances	865,698	407,066
	871,515	412,684
Closing Cash and Cash Equivalents		
Cash in hand	12,929	5,817
Bank balances	13,155,906	865,698
	13,168,835	871,515

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

Ravi Shah
Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No.125079W
Place: Mumbai
Date: September 8, 2016

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Ravi Shah Director *Paul Choksey* Director

Place: Mumbai
Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

1- SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital		
96,000 Equity Shares of Rs.10/- each	960,000	960,000
400 Non Cumulative Redeemable Preference Share of Rs.100/-	40,000	40,000
Issued Capital, Subscribed and Paid up		
10,000 Equity Shares of Rs 10/- each, fully paid up	100,000	100,000
	100,000	100,000

b. Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Arul Choksey	4,750	47.50%	4,750	47.50%
Parul Choksey	4,755	47.55%	4,755	47.55%

c. Reconciliation of number of shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

Share Suspense Account	As at March 31, 2016		As at March 31, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Share Suspense Account				
(Represents shares to be issued to the shareholders of	40,232	402,320	-	-
Transferor companies after cancellation of shares held by				
Dhumraketu Investments and Trading Company Private				
Limited in the Company pursuant to merger (Refer Note 1))	40,232	402,320	-	-

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2 - RESERVES AND SURPLUS

Particulars	As at March 31, 2016	As at March 31, 2015
a. Capital Reserves	727,000	727,000
Opening Balance	-	-
(+) Current Year Transfer	-	-
(+) Capital Reserve on Amalgamation	2,281,276,882	-
(-) Written Back in Current Year	-	-
Closing Balance	2,282,003,882	727,000
b. Capital Redemption Reserve		
Opening Balance	31,500	31,500
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	31,500	31,500
c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934		
Opening Balance	15,282,857	14,382,857
(+) Current Year Transfer	600,000	900,000
(+) Reserve recognised on Amalgamation	49,079,667	-
(-) Written Back in Current Year	-	-
Closing Balance	64,962,524	15,282,857
d. General Reserve :		
Opening Balance	36,967,096	36,967,096
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	36,967,096	36,967,096
e. Surplus		
Opening balance	15,010,518	11,702,711
(+) Net Profit/(Net Loss) For the current year	2,861,043	4,207,807
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Tax on Proposed Dividends	-	-
(-) Transfer to Reserves	600,000	900,000
Closing Balance	17,271,561	15,010,518
GRAND TOTAL	2,401,236,563	68,018,971

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Accompanying notes to the financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables *		
Due to Micro and Small Enterprises	2,175,660	17,372
Other than Micro and Small Enterprises		
	2,175,660	17,372

4 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
TDS payable	191,603	-
Total	191,603	-

5 - SHORT-TERM PROVISIONS

Particulars	As at March 31, 2016	As at March 31, 2015
Provison for Income Tax (Net of tax paid)	-	211
Total	-	211

NOTE 2: Notes to the Balance Sheet

6 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2016	As at March 31, 2015
A. Trade Investments	-	-
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments		
Quoted:		
in Associate companies	1,760,870,289	24,917,653
in others	510,207,729	33,695,865
Unquoted:		
in Associate companies	-	-
in others	16,178,760	3,129,620
	2,287,256,778	61,743,138
TOTAL (A+B)	2,287,256,778	61,743,138
Less: Provision for diminution in the value of Investments	-	-
	2,287,256,778	61,743,138

Particulars	As at March 31, 2016	As at March 31, 2015
Aggregate amount of quoted investments	2,271,078,018	58,613,518
Aggregate amount of unquoted investments	16,178,760	3,129,620
Aggregate market value of quoted investments	2,430,409,554	429,595,081

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SAIDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet
 6 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2015
			No. of Shares / Units	Amount (Rs.)	No. of Shares / Units	Amount (Rs.)
1	<u>Investment in Equity shares (Quoted)</u>					
	- in Associate companies					
	Apcotex Industries Limited	5	8,430,066	1,760,870,289	566,544	24,917,653
	- in others (non associate companies)					
	Alembic pharماسuticals Ltd.	2	13,247	8,320,122	2,010	498,608
	Aditya Birla Nuvo Limited	10	488	639,634	239	105,628
	Aditya Birla Fashion and Retail Ltd.	10	2,536	5,614	-	-
	Asian Paints Limited	1	519,110	345,333,073	149,610	18,861,347
	Bajaj Auto Limited	10	1,448	3,601,406	110	213,590
	Bosch limited	10	122	2,275,050	-	-
	Dabur India Limited	1	32,346	7,120,953	11,975	1,479,204
	Exide Industries Limited	1	202	29,024	34	4,422
	Grasim Industries Limited	10	3,811	9,645,892	2,820	5,924,837
	HDFC Ltd.	2	14,903	16,635,652	2,566	1,093,700
	Heromotoco	2	758	2,042,128	-	-
	Indo count Industries Limited	10	66,109	72,759,566	-	-
	Kansai Nerolac Limited	1	14,160	2,793,897	4,250	90,637
	Kotak Mahindra Bank Ltd	5	16,860	11,709,325	550	400,026
	Larson & Toubro Limited	2	204	255,709	102	125,613
	Marico Ltd	1	28,826	6,028,379	2,082	451,069
	Marico Kaya Enterprises Ltd	10	92	107,653	5	9,178
Nestle India Limited	10	187	1,089,836	-	-	
Piramal enterprises Limited	2	5,943	5,968,852	-	-	
Reliance industries Limited	10	3,372	3,055,455	2,270	1,937,365	
State bank of India	10	11,340	2,545,263	-	-	
Tata Consultancy Services Limited	1	4,387	7,527,864	2,324	2,500,641	
Ultratech Cement Limited	10	258	717,382	-	-	
			510,207,729		33,695,865	
2	<u>Investment in Equity shares (Unquoted)</u>					
	- in Associate companies					
	- in others (non associate companies)					
	Apco Enterprises Limited	10	1	60	-	-
	Dhumraketu Investments & Tdg Co P. Ltd.	10	-	-	200	1,129,620
Mazda Colours limited	10	11,940	16,178,700	-	-	
			16,178,760		1,129,620	
3	<u>Other non current Investment (Unquoted)</u>					
	Paintings					2,000,000
						2,000,000

NOTE 2: Notes to the Balance Sheet

7 - LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2016	As at March 31, 2015
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	-	9,000
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
		9,000
c. Loans and advances to related parties *		
Secured, considered good	-	-
Unsecured, considered good, includes interest accrued and due	-	-
Doubtful	-	-
Less: Provision for Standard assets (0.25%) as required by RBI regulations	-	-
D. Other Non Current assets		
TOTAL		9,000

NOTE 2: Notes to the Balance Sheet

8 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2016	As at March 31, 2015
Amalgamation adjustment account (Refer Note 1)	49,079,667	-
	49,079,667	-

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 accompanying notes to the financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

9 - CURRENT INVESTMENTS

Particulars	No. of Shares / Units		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Investments in Mutual Funds; Unquoted; at cost; fully paid up				
IDFC Ultra Short Term Fund Growth	1148586.416	304214.975	23,598,973	5,491,752
ICICI Mutual fund	135703.200	-	29,980,000	-
			53,578,973	5,491,752
Less: Provision for diminution in the value of Investments			53,578,973	5,491,752

10 - CASH AND CASH EQUIVALENTS

Particulars	As at	As at
	March 31, 2016	March 31, 2015
a. Balances with banks (including FD of Rs.47,00,000/-)	13,155,906	865,698
b. Cash on hand	12,929	5,817
	13,168,835	871,515

11 - OTHER CURRENT ASSETS

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Income Tax Paid (net of provisions)	456,334	-
Reimbursement receivable	82,170	21,149
Interest accrued but not due on FD (Net of TDS)	35,597	-
Others	447,792	-
	1,021,893	21,149

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the year ended March 31, 2016

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	2015-16	2014-2015
Interest on Bank FD	39,552	-
	39,552	-
		-

2 - OTHER INCOME

Particulars	2015-16	2014-2015
<u>Dividend Income</u>		
from current investments	29,506	5,853
from Long term investments	5,785,648	4,277,398
<u>Net gain/loss on sale of investments</u>		
from current investments	754,118	767
from Long term investments	(350,000)	-
	6,219,272	4,284,018

3 - OTHER EXPENSES

Particulars	2015-16	2014-2015
Profession Tax	2,500	2,500
Professional Fees	46,491	37,698
Demat Charges	674	667
Filing Fees	7,455	800
Securities Transaction Tax	7,445	-
Bank charges	11,087	-
Misc. exp	1,533	-
Auditors' remuneration - Audit Fees	10,350	10,112
Auditors' remuneration - Certification fees	-	12,362
	87,535	64,139

4 - EARNINGS PER EQUITY SHARES

Particulars	2015-16	2014-2015
<u>Basic & Diluted Earnings per Share</u>		
Profit/(Loss) attributable to Equity shareholders	2,861,043	4,207,807
Weighted average number of equity shares	10,000	10,000
Basic & Diluted Earnings Per Share of face value Rs.10/- each	286.10	420.78

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 1: Significant accounting policies

Significant accounting policies

The above financial statements have been prepared giving effect to the scheme of amalgamation whereby the transferor companies viz. Titan Trading and Agencies Limited, Trivikram Investments and Trading Company Limited and Dhumraketu Investments and Trading Company Private Limited have amalgamated into the company. The said scheme has been approved by order of the Hon'ble High Court of Judicature at Bombay on August 12, 2016. The appointed date of the said scheme is January 1, 2016 and the same was made effective on September 6, 2016. The aforesaid financial statements for the year ended March 31, 2016 have therefore been prepared after giving effect to the above scheme. Further, as per the scheme, the accounting has been done in accordance with the Purchase Method of accounting as specified in Accounting Standard (AS)-14 'Accounting for Amalgamations' based on the financial position of the transferor companies as on appointed date. Further, the statutory reserve (in terms of section 45-1C of the Reserve Bank of India Act, 1934) of the transferor companies is reflected under the same form in the aforesaid financial statements and a corresponding debit to Amalgamation Adjustment A/c. is made. Accordingly,

The shares to be allotted to the shareholders of the transferor companies (after cancellation of shares held by Dhumraketu Investments and Trading Company Private Limited in the company) based on the swap ratio as per the scheme have been reflected under the Share Suspense account.

BASIS OF PREPARATION

The financial statement of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Method of Accounting

The Books of Accounts are maintained on accrual basis.

Investments

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

Provision for Taxation

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there as are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

Other Accounting Policies

These are consistent with the generally accepted accounting practices.

Previous year figures

Previous years' figures are regrouped/rearranged wherever necessary. Figures of previous year may not be comparable consequent to amalgamation as stated above.

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 4: Other notes forming part of accounts

Accompanying notes to the financial statements for the year ended March 31, 2016

1. Expenditure in foreign currency - Nil, Previous year Nil.

2. Earnings in foreign currency - Nil, Previous year Nil.

3. Information on related parties as required by Accounting Standard (AS)-18- Related Party Disclosures:

a. Holding/subsidiary companies/associate companies -

Associate company (40.65%)
Apcotex Industries Ltd.

c. Key Management Personnel -

Mr. Atul C. Choksey	Director
Mrs. Parul Atul Choksey	Director
Mr. Girish C. Choksey	Director
Mrs. Devanshi Jalan	Director

d. Entities / Person(s) controlling - Atul C. Choksey, Parul A. Choksey,

4. Transactions with related parties

Sale of paintings and sculptures to key management personnel and their relatives - Rs.66,45,000/-

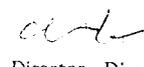
as per our report of even date

For RAVI A. SHAH & ASSOCIATES
Chartered Accountants


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No.125079W
Place: Mumbai
Date: September 8, 2016

Signature to Note 1 to 4

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

  
Director Director

Place: Mumbai

Date: September 8, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saldhar Investments and Trading Co. Pvt. Ltd.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Saldhar Investments and Trading Co. Pvt. Ltd. ("the Holding Company") and its associate Apcotex Industries Limited ("associate") (the Holding Company and its associate together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss for the year then ended, the Consolidated Cash Flows Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's responsibility for the Financial statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements matters in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 (particularly Accounting Standard 21: Consolidated Financial Statements and Accounting Standard 23: Accounting for Investments in Associates in Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding 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 and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2016;

- b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profits for the year ended on that date,
- c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Other Matter

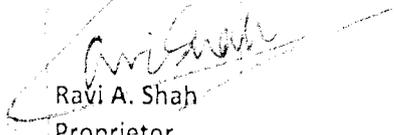
We did not audit the financial statements of the associate, whose financial statement reflect total assets of Rs.19234.37 lacs as at 31st March, 2016, total net revenues of Rs.27570.37 lacs and net cash inflows amounting to Rs.10.45 lacs for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and the jointly controlled companies and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled companies, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of associate, as noted in the 'Other Matter' paragraph, we report, to the extent As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated 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 consolidated financial statement.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of each associate, none of the Directors of any such company are disqualified as on 31st March, 2016 from being appointed as a Director of that company in terms of Sub-section (2) of Section 164 of the Act
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company, associate, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" and;
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of associate, as noted in the 'Other Matter' paragraph:
 - i. the Group does not have any pending litigations which would impact its financial position
 - ii. the Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group

For Ravi A. Shah & Associates
Chartered Accountants
FRN: 125079W


Ravi A. Shah

Proprietor

Membership No. :116667

Place: Mumbai

Date: September 8, 2016

Annexure 1 referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Saldhar Investments and Trading Co Pvt. Ltd. ("the Holding Company") as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of the Holding Company and its associate.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

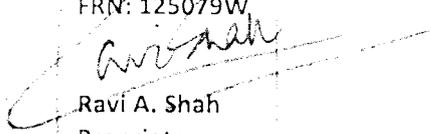
Opinion

In our opinion, the Holding Company and its associate, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of SALDHAR INVESTMENTS AND TRADING CO. PVT. LTD. ("the holding company"), which comprise the Balance Sheet as at March 31 2016, and the related Statement of Profit and Loss and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, and our report dated September 8, 2016 expressed an unqualified opinion thereon.

For Ravi A. Shah & Associates
Chartered Accountants
FRN: 125079W


Ravi A. Shah
Proprietor
Membership No. :116667
Place: Mumbai
Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Consolidated Balance Sheet as at March 31, 2016

(Rs.)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2 (1)	100,000	100,000
(b) Share suspense account	2 (1)	402,320	-
(c) Reserves and surplus	2 (2)	2,424,377,563	68,018,971
(d) Money received against share warrants		-	-
		<u>2,424,879,883</u>	<u>68,118,971</u>
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2 (3)	2,175,660	17,372
(c) Other current liabilities	2 (4)	191,603	-
(d) Short-term provisions	2 (5)	-	211
		<u>2,367,263</u>	<u>17,583</u>
TOTAL		<u><u>2,427,247,146</u></u>	<u><u>68,136,554</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	2 (6)	2,310,397,778	61,743,138
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2 (7)	-	9,000
(e) Other non-current assets - Amalgamation Adj. A/c.	2(8)	49,079,667	-
		<u>2,359,477,445</u>	<u>61,752,138</u>
(2) Current Assets			
(a) Current investments	2 (9)	53,578,973	5,491,752
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	2 (10)	13,168,835	871,515
(e) Short-term loans and advances		-	-
(f) Other Current assets	2 (11)	1,021,893	21,149
		<u>67,769,701</u>	<u>6,384,416</u>
TOTAL		<u><u>2,427,247,146</u></u>	<u><u>68,136,554</u></u>

Significant Accounting Policies

1

Notes to the Balance Sheet

2

Other Notes

4

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Ravi A. Shah, Proprietor

Membership No. 116667

Firm registration No.125079W

Place: Mumbai

Date: September 8, 2016

Director Director

Place: Mumbai

Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Consolidated Profit and Loss statement for the year ended March 31, 2016

(Rs.)

Particulars	Note No.	2015-16	2014-2015
I. Revenue from operations	3 (1)	39,552	-
II. Other income	3 (2)	6,219,272	4,284,018
III. Total Revenue (I + II)		6,258,824	4,284,018
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses		-	-
Total Expenses	3 (3)	87,535	64,139
V. Profit before exceptional and extraordinary items and tax (III-IV)		6,171,289	4,219,879
VI. Exceptional items - Amalgamation expenses		3,349,545	-
VII. Profit before extraordinary items and tax (V-VI)		2,821,744	4,219,879
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		2,821,744	4,219,879
X. Tax Expenses:			
(1) Current Tax			
Income Tax		100,000	-
(Excess)/Short provision for previous years		-	12,072
(2) Deferred Tax		139,299	-
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		2,861,043	4,207,807
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		2,861,043	4,207,807
XVI. Share of Profit of Associate		23,141,000	-
XVII. Profit/(Loss) for the year (XV + XVI)		26,002,043	4,207,807
XVIII. Earnings per equity share: Basic & Diluted	3 (4)	2,600.20	420.78
Significant Accounting Policies	1		
Notes to the Statement of Profit and Loss	3		
Other Notes	4		

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

Ravi A. Shah

Ravi A. Shah, Proprietor

Membership No. 116667

Firm registration No.125079W

Place: Mumbai

Date: September 8, 2016

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Atul Chandra Prasad Chaudhary

Director Director

Place: Mumbai

Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Consolidated Cash Flow Statement For the year ended March 31, 2016

2015 - 2016 2014 - 2015

A. Cash Flow from Operating Activities

Net profit before tax as per P&L account	2,821,744	4,219,879
<u>Adjustments for:</u>		
Depreciation	-	-
(Profit)/loss on sale of investments	(404,118)	(767)
Dividend received	(5,815,154)	(4,283,251)
Operating Profit before Working Capital changes	<u>(3,397,528)</u>	<u>(64,139)</u>
<u>Adjustments for:</u>		
(Increase)/Decrease in other current assets (excluding Income Tax)	(128,013)	71,642
Increase/(Decrease) in trade payables	1,968,108	6,461
Increase/(Decrease) in other current liabilities	191,603	-
CASH GENERATED FROM OPERATIONS	<u>(1,365,830)</u>	<u>13,964</u>
Income tax Paid	(124,308)	(82,530)
Net Cash inflow from/ (outflow) from Operating activities	<u><u>(1,490,138)</u></u>	<u><u>(68,566)</u></u>

B. Cash Flow from Investing Activities

Purchase of investments - Non current	(10,267,513)	-
Purchase of investments - Current	(34,759,506)	(3,755,854)
Sale Proceeds from investments - Non current	6,645,000	-
Sale Proceeds from investments - Current	44,630,905	-
Cash and cash equivalents as on appointed date of transferor companies pursuant to amalgamation	1,723,418	-
Dividend received	5,815,154	4,283,251
Net Cash inflow from/ (outflow) from Investing activities	<u><u>13,787,458</u></u>	<u><u>527,397</u></u>

C. Cash Flow from Financing Activities

Dividend paid	-	-
Net Cash inflow from/ (outflow) from Financing activities	<u><u>-</u></u>	<u><u>-</u></u>

Net increase / (decrease) in cash and cash equivalents

12,297,320 458,831

Opening Cash and Cash Equivalents

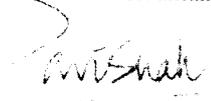
Cash in hand	5,817	5,618
Bank balances	865,698	407,066
	<u><u>871,515</u></u>	<u><u>412,684</u></u>

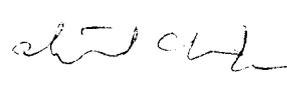
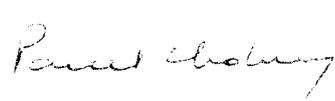
Closing Cash and Cash Equivalents

Cash in hand	12,929	5,817
Bank balances	13,155,906	865,698
	<u><u>13,168,835</u></u>	<u><u>871,515</u></u>

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED


Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No.125079W
Place: Mumbai
Date: September 8, 2016

 
Director Director

Place : Mumbai
Date: September 8, 2016

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

1 - SHARE CAPITAL.

a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital 96,000 Equity Shares of Rs.10/- each 400 Non Cumulative Redeemable Preference Share of Rs.100/-	960,000 40,000	960,000 40,000
Issued Capital, Subscribed and Paid up 10,000 Equity Shares of Rs 10/- each, fully paid up	100,000	100,000
	100,000	100,000

b. Shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Atul Choksey	4,750	47.50%	4,750	47.50%
Parul Choksey	4,755	47.55%	4,755	47.55%

c. Reconciliation of number of shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

Share Suspense Account	As at March 31, 2016		As at March 31, 2015	
	Number	Amount in Rs.	Number	Amount in Rs.
Share Suspense Account (Represents shares to be issued to the shareholders of Transferor companies after cancellation of shares held by Dhumraketu Investments and Trading Company Private Limited in the Company pursuant to merger (Refer Note 1))	40,232	402,320	-	-
	40,232	402,320	-	-

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

2 - RESERVES AND SURPLUS

Particulars	As at March 31, 2016	As at March 31, 2015
a. Capital Reserves		
Opening Balance	727,000	727,000
(+) Current Year Transfer	-	-
(+) Capital Reserve on Amalgamation	-	-
(-) Written Back in Current Year	2,281,276,882	-
Closing Balance	-	-
	2,282,003,882	727,000
b. Capital Redemption Reserve		
Opening Balance		
(+) Current Year Transfer	31,500	31,500
(-) Written Back in Current Year	-	-
Closing Balance	-	-
	31,500	31,500
c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934		
Opening Balance		
(+) Current Year Transfer	15,282,857	14,382,857
(+) Reserve recognised on Amalgamation	600,000	900,000
(-) Written Back in Current Year	49,079,667	-
Closing Balance	-	-
	64,962,524	15,282,857
d. General Reserve :		
Opening Balance		
(+) Current Year Transfer	36,967,096	36,967,096
(-) Written Back in Current Year	-	-
Closing Balance	-	-
	36,967,096	36,967,096
e. Surplus		
Opening balance		
(+) Net Profit/(Net Loss) For the current year	15,010,518	11,702,711
(+) Transfer from Reserves	26,002,043	4,207,807
(-) Proposed Dividends	-	-
(-) Tax on Proposed Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	600,000	900,000
	40,412,561	15,010,518
GRAND TOTAL		
	2,424,377,563	68,018,971

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables -		
Due to Micro and Small Enterprises		
Other than Micro and Small Enterprises	2,175,660	17,372
	2,175,660	17,372

4 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
TDS payable	191,603	-
Total	191,603	-

5 - SHORT-TERM PROVISIONS

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Income Tax (Net of tax paid)	-	211
Total	-	211

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

6 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2016	As at March 31, 2015
A. Trade Investments		
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments		
<u>Quoted:</u>		
in Associate companies	1,784,011,289	24,917,653
in others	510,207,729	33,695,865
<u>Unquoted:</u>		
in Associate companies	-	-
in others	16,178,760	3,129,620
	2,310,397,778	61,743,138
TOTAL (A+B)	2,310,397,778	61,743,138
Less : Provision for diminution in the value of Investments	-	-
	2,310,397,778	61,743,138

Particulars	As at March 31, 2016	As at March 31, 2015
Aggregate amount of quoted investments	2,294,219,018	58,613,518
Aggregate amount of unquoted investments	16,178,760	3,129,620
Aggregate market value of quoted investments	2,430,409,554	429,595,081

SALDHA INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

6 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	March 31, 2016		March 31, 2015	
			No. of Shares / Units	Amount (Rs.)	No. of Shares / Units	Amount (Rs.)
1	<u>Investment in Equity shares (Quoted)</u>					
	<u>- in Associate companies</u>					
	Apectex Industries Limited	5	8,430,066	1,784,011,289	566,544	24,917,653
	<u>Represented by:</u>					
	Goodwill			1,285,950,648		
	Share in Net Assets of Associate			498,060,641		
	<u>- in others (non associate companies)</u>					
	Alembic pharماسuticals Ltd.	2	13,247	8,320,122	2,010	498,608
	Aditya Birla Nuvo Limited	10	488	639,634	239	105,628
	Aditya Birla Fashion and Retail Ltd	10	2,536	5,614	-	-
	Asian Paints Limited	1	519,110	345,333,073	149,610	18,861,347
	Bajaj Auto Limited	10	1,448	3,601,406	110	213,590
	Bosch limited	10	122	2,275,050	-	-
	Dabur India Limited	1	32,346	7,120,953	11,975	1,479,204
	Exide Industries Limited	1	202	29,024	34	4,422
	Grasim Industries Limited	10	3,811	9,645,892	2,820	5,924,837
	HDFC Ltd.	2	14,903	16,635,652	2,566	1,093,700
	Heromotoco	2	758	2,042,128	-	-
	Indo count Industries Limited	10	66,109	72,759,566	-	-
	Kansai Nerolac Limited	1	14,160	2,793,897	4,250	90,637
	Kotak Mahindra Bank Ltd	5	16,860	11,709,325	550	400,026
	Larson & Toubro Limited	2	204	255,709	102	125,613
	Marico Ltd	1	28,826	6,028,379	2,082	451,069
	Marico Kaya Enterprises Ltd	10	92	107,653	5	9,178
	Nestle India Limited	10	187	1,089,836	-	-
	Piramal enterprises Limited	2	5,943	5,968,852	-	-
	Reliance industries Limited	10	3,372	3,055,455	2,270	1,937,365
State bank of India	10	11,340	2,545,263	-	-	
Tata Consultancy Services Limited	1	4,387	7,527,864	2,324	2,500,641	
Ultratech Cement Limited	10	258	717,382	-	-	
				510,207,729		33,695,865
2	<u>Investment in Equity shares (Unquoted)</u>					
	<u>- in Associate companies</u>					
	<u>- in others (non associate companies)</u>					
	Apco Enterprises Limited	10	1	60	-	-
	Dhumraketu Investments & Tdg Co P. Ltd.	10	-	-	200	1,129,620
Mazda Colours limited	10	11,940	16,178,700	-	-	
				16,178,760		1,129,620
3	<u>Other non current Investment (Unquoted)</u>					
	Paintings					2,000,000
						2,000,000

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

7 - LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2016	As at March 31, 2015
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	-	-
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	9,000
Less: Provision for doubtful deposits	-	-
	-	9,000
c. Loans and advances to related parties *		
Secured, considered good	-	-
Unsecured, considered good, includes interest accrued and due	-	-
Doubtful	-	-
Less: Provision for Standard assets (0.25%) as required by RBI regulations	-	-
	-	-
D. Other Non Current assets		
	-	-
TOTAL		
	-	9,000

NOTE 2: Notes to the Balance Sheet

8 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2016	As at March 31, 2015
Amalgamation adjustment account (Refer Note 1)	49,079,667	-
	49,079,667	-

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 2: Notes to the Balance Sheet

9 - CURRENT INVESTMENTS

Particulars	No. of Shares / Units		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<u>Investments in Mutual Funds; Unquoted; at cost; fully paid up</u>				
IDFC Ultra Short Term Fund Growth	1148586.416	304214.975	23,598,973	5,491,752
ICICI Mutual fund	135703.200	-	29,980,000	-
			53,578,973	5,491,752
Less : Provision for diminution in the value of Investments			53,578,973	5,491,752
			53,578,973	5,491,752

10 - CASH AND CASH EQUIVALENTS

Particulars	As at	
	March 31, 2016	March 31, 2015
a. Balances with banks (including FD of Rs. 47,00,000/-)	13,155,906	865,698
b. Cash on hand	12,929	5,817
	13,168,835	871,515

11 - OTHER CURRENT ASSETS

Particulars	As at	
	March 31, 2016	March 31, 2015
Income Tax Paid (net of provisions)	456,334	-
Reimbursement receivable	82,170	21,149
Interest accrued but not due on FD (Net of TDS)	35,597	-
Others	447,792	-
	1,021,893	21,149

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the consolidated financial statements for the year ended March 31, 2016

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	2015-16	2014-2015
Interest on Bank FD	39,552	-
	39,552	-
		-

2 - OTHER INCOME

Particulars	2015-16	2014-2015
<u>Dividend Income</u>		
from current investments	29,506	5,853
from Long term investments	5,785,648	4,277,398
<u>Net gain/loss on sale of investments</u>		
from current investments	754,118	767
from Long term investments	(350,000)	-
	6,219,272	4,284,018

3 - OTHER EXPENSES

Particulars	2015-16	2014-2015
Profession Tax	2,500	2,500
Professional Fees	46,491	37,698
Demat Charges	674	667
Filing Fees	7,455	800
Securities Transaction Tax	7,445	-
Bank charges	11,087	-
Misc. exp	1,533	-
Auditors' remuneration - Audit Fees	10,350	10,112
Auditors' remuneration - Certification fees	-	12,362
	87,535	64,139

4 - EARNINGS PER EQUITY SHARES

Particulars	2015-16	2014-2015
<u>Basic & Diluted Earnings per Share</u>		
Profit/(Loss) attributable to Equity shareholders	26,002,043	4,207,807
Weighted average number of equity shares	10,000	10,000
Basic & Diluted Earnings Per Share of face value Rs.10/- each	2,600.20	420.78

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 1: Significant accounting policies

Significant accounting policies

The above consolidated financial statements have been prepared giving effect to the scheme of amalgamation whereby the transferor companies viz. Titan Trading and Agencies Limited, Trivikram Investments and Trading Company Limited and Dhumraketu Investments and Trading Company Private Limited have amalgamated into the company. The said scheme has been approved by order of the Hon'ble High Court of Judicature at Bombay on August 12, 2016. The appointed date of the said scheme is January 1, 2016 and the same was made effective on September 6, 2016. The aforesaid financial statements for the year ended March 31, 2016 have therefore been prepared after giving effect to the above scheme. Further, as per the scheme, the accounting has been done in accordance with the Purchase Method of accounting as specified in Accounting Standard (AS)-14 'Accounting for Amalgamations' based on the financial position of the transferor companies as on appointed date. Further, the statutory reserve (in terms of section 45-1C of the Reserve Bank of India Act, 1934) of the transferor companies is reflected under the same form in the aforesaid financial statements and a corresponding debit to Amalgamation Adjustment A/c is made. The shares to be allotted to the shareholders of the transferor companies (after cancellation of shares held by Dhumraketu Investments and Trading Company Private Limited in the company) based on the swap ratio as per the scheme have been reflected under the Share Suspense account.

BASIS OF PREPARATION

The consolidated financial statement of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2005 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and in accordance with the equity method of accounting as prescribed in Accounting Standard (AS) - 23. The Associate viz. Apcotex Industries Ltd. became associate of the company during the current financial year on 01-Jan-2016. Goodwill has been calculated based on the financial statements as on March 31, 2015 and proportionate share of profit for FY 2015-16 till the date of acquisition.

Method of Accounting

The Books of Accounts are maintained on accrual basis.

Investments

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

Provision for Taxation

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

Other Accounting Policies

These are consistent with the generally accepted accounting practices.

Previous year figures

Previous years' figures are regrouped/rearranged wherever necessary. Figures of previous year may not be comparable consequent to amalgamation as stated above.

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 4: Other notes forming part of accounts

Accompanying notes to the financial statements for the year ended March 31, 2016

1. Expenditure in foreign currency - Nil, Previous year Nil

2. Earnings in foreign currency - Nil, Previous year Nil

3. Information on related parties as required by Accounting Standard (AS)-18- Related Party Disclosures

a. Holding/subsidiary companies/associate companies -

Associate company (40.65%)
Apcotex Industries Ltd

c. Key Management Personnel -

Mr. Atul C. Choksey	Director
Mrs. Parul Atul Choksey	Director
Mr. Girish C. Choksey	Director
Mrs. Devanshi Jalan	Director

d. Entities / Person(s) controlling - Atul C. Choksey, Parul A. Choksey,

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4. Transactions with related parties

Sale of paintings and sculptures to key management personnel and their relatives - Rs 66,45,000/-

5. Details of associate company considered in consolidated financial statements:

Name of Associate: Apcotex Industries Ltd.

Extent of ownership: 40.65%

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

Ravi A. Shah
Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai
Date: September 8, 2016

Signature to Note 1 to 4
For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Ravi A. Shah *Ravi A. Shah*
Director Director

Place: Mumbai
Date: September 8, 2016

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Balance Sheet as at December 31, 2016

Particulars	Note No.	As at December 31, 2016
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share capital	2 (1)	502,320
(b) Share suspense account		-
(c) Reserves and surplus	2 (2)	2,627,584,005
(c) Money received against share warrants		-
		<u>2,628,086,325</u>
(2) Share application money pending allotment		-
(3) Non-current liabilities		
(a) Long-term borrowings		-
(b) Deferred tax liabilities (Net)		-
(c) Other long term liabilities		-
(d) Long-term provisions		-
(4) Current liabilities		
(a) Short-term borrowings		-
(b) Trade payables	2 (3)	54,274
(c) Other current liabilities		-
(d) Short-term provisions	2 (4)	12,540,411
		<u>12,594,685</u>
TOTAL		<u><u>2,640,681,010</u></u>
II. ASSETS		
(1) Non-current Assets		
0		
(i) Tangible assets		-
(ii) Intangible assets		-
(iii) Capital work-in-progress		-
(iv) Intangible assets under development		-
(b) Non-current investments	2 (5)	2,526,729,123
(c) Deferred tax assets (net)		-
(e) Other non-current assets	2(6)	49,079,667
		<u>2,575,808,790</u>
(2) Current Assets		
(a) Current investments	2 (8)	61,493,699
(b) Inventories		-
(c) Trade receivables		-
(d) Cash and cash equivalents	2 (7)	2,741,694
(e) Short-term loans and advances		-
(f) Other Current assets	2 (8)	636,827
		<u>64,872,220</u>
TOTAL		<u><u>2,640,681,010</u></u>

Significant Accounting Policies 1
Notes to the Balance Sheet 2
Other Notes 4

as per our report of even date
For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W
Place: Mumbai
Date 29 MAR 2017

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Director Director

Place: Mumbai
Date 29 MAR 2017



For Saldhar Investments And Trading Company Private Limited

Director / Authorised Signatory

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Profit and Loss statement for the nine months ended December 31 2016

Particulars	Note No.	Nine months ended December 31, 2016
I. Revenue from operations	3 (1)	131,473
II. Other income	3 (2)	283,241,824
III. Total Revenue (I + II)		<u>283,373,297</u>
IV. Expenses:		
Cost of materials consumed		-
Purchases of stock-in-trade		-
Changes in inventories of finished goods, work-in-progress		-
Employee benefits expense		-
Finance costs		-
Depreciation and amortization expense		-
Other expenses	3 (3)	5,525,855
Total Expenses		<u>5,525,855</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		277,847,442
VI. Exceptional items		-
VII. Profit before extraordinary items and tax (V-VI)		<u>277,847,442</u>
VIII. Extraordinary items		-
IX. Profit before tax (VII - VIII)		<u>277,847,442</u>
X. Tax Expenses:		
(1) Current Tax		
Income Tax		51,500,000
(Excess)/Short provision for previous years		-
(2) Deferred Tax		-
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		<u>226,347,442</u>
XII. Profit/(Loss) from discontinuing operations		-
XIII. Tax expense of discontinuing operations		-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-
XV. Profit/(Loss) for the year (XI + XIV)		<u>226,347,442</u>
XVI. Earnings per equity share: Basic & Diluted	3 (4)	4,506.04
Significant Accounting Policies	1	
Notes to the Statement of Profit and Loss	3	
Other Notes	4	

as per our report of even date

For RAVI A. SHAH & ASSOCIATES
Chartered Accountants

Ravi A. Shah

Ravi A. Shah, Proprietor
Membership No. 116667
Firm registration No. 125079W

Place: Mumbai

Date: 9 MAR 2017



For and on behalf of the Board of Directors
SALDHAR INVESTMENTS AND TRADING
COMPANY PRIVATE LIMITED

Abhishek... *Shri...*

Director Director

Place: Mumbai

Date: 29 MAR 2017

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet

1 - SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at Dec31, 2016
Authorised Capital 4,46,000 (Previous Year 96,000) Equity Shares of Rs.10/- each 400 Non Cumulative Redeemable Preference Share of Rs.100/-	44,60,000 40,000
Issued Capital, Subscribed and Paid up 50,232 Equity Shares of Rs 10/- each, fully paid up	5,02,320
	5,02,320

b. Shareholders holding more than 5% shares

Name of Shareholder	As at Dec31, 2016	
	No of Equity shares held	Percentage
Atul Choksey	21,930	43.65%
Parul Choksey	18,362	36.55%
Abhiraj Choksey	7,974	15.87%

c. Reconciliation of number of shares

Particulars	As at Dec31, 2016	
	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	1,00,000
Shares Issued during the year	40,727	4,07,270
Shares cancelled during the year	(495)	(4,950)
Shares outstanding at the end of the year	50,232	5,02,320

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet

2 - RESERVES AND SURPLUS

Particulars	As at Dec31, 2016
a. Capital Reserves	
Opening Balance	2,282,003,882
(-) Current Year Transfer	
(+) Capital Reserve on Amalgamation	
(-) Written Back in Current Year	
Closing Balance	2,282,003,882
b. Capital Redemption Reserve	
Opening Balance	31,500
(-) Current Year Transfer	-
(-) Written Back in Current Year	-
Closing Balance	31,500
c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934	
Opening Balance	64,962,524
(+) Current Year Transfer	60,000,000
(+) Reserve recognised on Amalgamation	-
(-) Written Back in Current Year	-
Closing Balance	124,962,524
d. General Reserve :	
Opening Balance	36,967,096
(+) Current Year Transfer	
(-) Written Back in Current Year	
Closing Balance	36,967,096
e. Surplus	
Opening balance	17,271,561
(+) Net Profit/(Net Loss) For the current year	226,347,442
(+) Transfer from Reserves	-
(-) Proposed Dividends	-
(-) Tax on Proposed Dividends	-
(-) Transfer to Reserves	60,000,000
Closing Balance	183,619,003
GRAND TOTAL	2,627,584,005

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SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Accompanying notes to the financial statements for the nine months period
ended December 31, 2016
NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at December 31, 2016
Trade Payables *	
Due to Micro and Small Enterprises	54,274
Other than Micro and Small Enterprises	
	<u>54,274</u>

4 - SHORT-TERM PROVISIONS

Particulars	As at December 31, 2016
Provision for Income Tax (Net of tax paid) (refer notes)	12,540,411
Total	<u>12,540,411</u>

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet
5 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	As at Dec31, 2016	As at Dec 31, 2016
			No. of Shares / Units	Amount (Rs.)
1	Investment in Equity shares (Quoted)			
	- in Subsidiary company (became subsidiary during the nine month period)			
	Apcotex Industries Limited	5	10,598,300	2,526,729,123
	- in others (non associate companies)			
	Alembic pharماسuticls Ltd.	2		
	Aditya Birla Nuvo Limited	10	-	-
	Aditya Birla Fashion and Retail Ltd.	10	-	-
	Asian Paints Limited	1	-	-
	Bajaj Auto Limited	10	-	-
	Bosch limited	10	-	-
	Dabur India Limited	1	-	-
	Exide Industries Limited	1	-	-
	Grasim Industries Limited	10	-	-
	HDFC Ltd.	2	-	-
	Heromotoco	2	-	-
	Indo count Industries Limited	10	-	-
	Kansai Nerolac Limited	1	-	-
	Kotak Mahindra Bank Ltd	5	-	-
	Larson & Toubro Limited	2	-	-
	Marico Ltd	1	-	-
	Marico Kaya Enterprises Ltd	10	-	-
	Nestle India Limited	10	-	-
	Piramal enterprises Limited	2	-	-
	Reliance industries Limited	10	-	-
	State bank of India	10	-	-
	Tata Consultancy Sevices Limited	1	-	-
	Ultratech Cement Limited	10	-	-
				-
2	Investment in Equity shares (Unquoted)			
	- in Associate companies			
	- in others (non associate companies)			
	Apco Enterprises Limited	10	-	-
	Mazda Colours limited	10	-	-
			-	-
3	Other non current Investment (Unquoted)			

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet

5 - NON-CURRENT INVESTMENTS

Particulars	As at December 31, 2016
A. Trade Investments	
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments	
Quoted:	
in Subsidiary companies (became a subsidiary during the nine month period)	2,526,729,123
Unquoted:	
in Associate companies	-
in others	-
	2,526,729,123
TOTAL (A+B)	2,526,729,123
Less : Provision for diminution in the value of Investments	-
	2,526,729,123

Particulars	As at December 31, 2016
Aggregate amount of quoted investments	2,526,729,123
Aggregate amount of unquoted investments	-
Aggregate market value of quoted investments	3,243,079,800

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet

NOTE 2: Notes to the Balance Sheet

6 - LONG-TERM LOANS AND ADVANCES

Particulars	As at December 31, 2016
Amagamation adjustment account	49,079,667
	<u>49,079,667</u>

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 2: Notes to the Balance Sheet

7- CURRENT INVESTMENTS

Particulars	No. of Shares /	As at
	December 31, 2016	December 31, 2016
Investments in Mutual Funds; Unquoted; at cost; fully paid up IDFC ultra short term fund Growth	2727416.636	61,493,699
		61,493,699
Less : Provision for diminution in the value of Investments		61,493,699

Particulars	As at December 31, 2016
Aggregate amount of quoted investments	-
Aggregate amount of unquoted investments	61,493,699
Aggregate market value of quoted investments	-

8- CASH AND CASH EQUIVALENTS

Particulars	As at December 31, 2016
a. Balances with banks	2,741,266
b. Cash on hand	428
	2,741,694

9 - OTHER CURRENT ASSETS

Particulars	As at December 31, 2016
Income Tax Paid (net of provisions)	-
Reimbursement receivable	288,035
Interest accrued but not due on FD (Net of TDS)	-
Others	348,792
	636,827

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED
 Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	9 months ended December 31, 2016
Interest on Bank FD	131,473
	131,473

2 - OTHER INCOME

Particulars	9 months ended December 31, 2016
<u>Dividend Income</u>	
from current investments	-
from Long term investments	41,939,837
<u>Net gain/loss on sale of investments</u>	
from current investments	4,700,250
from Long term investments	236,601,553
<u>Other non-operating income</u>	
Prior Period Income	
Profit on sale of Fixed Asset	184
Misc income	
	283,241,824

3 - OTHER EXPENSES

Particulars	9 months ended December 31, 2016
Profession Tax	3,506,499
Amalgamation expences	38,768
Professional Fees	333,087
Demat Charges	3,450
Filing Fees	1,514,584
Securities Transaction Tax	805
Bank charges	141,081
Misc. exp	(20,182)
S balance written off	7,763
Auditors' remuneration - Audit Fees	-
Auditors' remuneration - Certification fees	
	5,525,855

4 - EARNINGS PER EQUITY SHARES

Particulars	9 months ended December 31, 2016
Basic & Diluted Earnings per Share	226,347,442
Profit/(Loss) attributable to Equity shareholders	50,232
Weighted average number of equity shares	4,506.04
Basic & Diluted Earnings Per Share of face value Rs.10/- each	

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the financial statements for the nine months period ended December 31, 2016

NOTE 1: Significant accounting policies

Significant accounting policies

BASIS OF PREPARATION

The financial statement of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Method of Accounting

The Books of Accounts are maintained on accrual basis.

Investments

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

Provision for Taxation

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

The provision for tax has been made considering that the company is likely to be liable to pay Minimum Alternate Tax (MAT) under the provisions of section 115JB of the Income Tax Act, 1961 during the year. Accordingly, a sum of Rs.5,15,00,000/- has been provided as Current Tax MAT Credit corresponding to the same is however not recognised as an asset in the above financial statements.

Other Accounting Policies

These are consistent with the generally accepted accounting practices.

Previous year figures

Previous years' figures are regrouped/rearranged wherever necessary.

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

NOTE 4: Other notes forming part of accounts

Accompanying notes to the financial statements for the Nine Month ended December 31, 2016

1. Expenditure in foreign currency - Nil, Previous year Nil.

2. Earnings in foreign currency - Nil, Previous year Nil.

3. Information on related parties as required by Accounting Standard (AS)-18- Related Party Disclosures:

a. Holding/subsidiary companies -

Apcotex Industries Ltd. (subsidiary company)
(became subsidiary during the nine month period)

b. Key Management Personnel -

Mr. Atul C. Choksey	Director
Mrs. Parul Atul Choksey	Director
Mr. Abhiraj A. Choksey	Director
Mr. Girish C. Choksey	Director
Mrs. Devanshi Jalan	Director

c. Entities / Person(s) controlling - Atul C. Choksey, Parul A. Choksey, Abhiraj Choksey

4. Transactions with related parties:

Sale of unquoted shares to key management personnel and their relatives - Rs.1.86 crores

Purchase of quoted shares from key management personnel and their relatives - Rs.76.58 crores.

as per our report of even date

For RAVI A. SHAH & ASSOCIATES

Chartered Accountants

Ravi A. Shah, Proprietor

Membership No. H6667

Firm registration No.125079W

Place: Mumbai

Signature to Note 1 to 4

For and on behalf of the Board of Directors of
SALDHAR INVESTMENTS AND TRADING

Director

Director

Place: Mumbai

For Saldhar Investments And Trading Company Private Limited

Director / Authorised Sign.

