

caprihans
INDIA LIMITED

Quality packaging solutions....for decades

70th
Annual Report
2015-2016



Some of our wide
range of product
applications...



BOARD OF DIRECTORS

(as on 20th May, 2016)

MR. MOFATRAJ P. MUNOT	Chairman
MR. ROBIN BANERJEE	Managing Director
MR. MOHAN H. BHANDARI	Director
MR. SURESH A. GANDHI	Director
MR. BHOUMICK S. VAIDYA	Director
MR. K. V. MANI	Director
MS. ANJALI SETH	Director
MR. NITIN K. JOSHI	Director
MR. SIDDHARTH S. SHETYE	Director

CFO & COMPANY SECRETARY

K. R. VISWANATHAN

BANKERS

BANK OF MAHARASHTRA
HDFC BANK LTD
STATE BANK OF INDIA

AUDITORS

S R B C & CO LLP
Chartered Accountants

REGISTERED OFFICE

BLOCK-D, SHIVSAGAR ESTATE,
DR. ANNIE BESANT ROAD,
WORLI, MUMBAI - 400 018.
Tel. : 3047 8664, 3047 8665
Email : cil@caprihansindia.com
Web : www.caprihansindia.com
CIN : L29150MH1946PLC004877

FACTORIES

PLOT NOS. C-13/16, ROAD NO. 16/T, WAGLE INDUSTRIAL ESTATE, THANE 400 604.
PLOT NOS. 76/77, MIDC INDUSTRIAL ESTATE, TRIMBAK ROAD, SATPUR, NASIK 422 007.

Directors' Report

To THE MEMBERS

Your Directors presents their Seventieth Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

	Year ended 31st March, 2016 (Rs. in Lakhs)	Year ended 31st March, 2015 (Rs. in Lakhs)
Profit before finance cost, depreciation and tax	2159.68	1463.86
Finance cost	75.18	31.96
Depreciation	352.68	344.67
Profit before exceptional items and tax	1731.82	1087.23
Exceptional items	682.03	—
Profit before tax	1049.79	1087.23
Tax expense		
— Current tax	611.00	470.00
— Deferred tax credit	(122.50)	(88.00)
— Deferred tax credit relating to earlier periods	(91.50)	—
	397.00	382.00
Profit after tax	652.79	705.23
Balance from last year	3044.68	2626.57
	3697.47	3331.80
Appropriations:		
Proposed Dividend	197.01	197.01
Tax on Dividend	40.11	40.11
Transfer to General Reserve	50.00	50.00
Carried forward to Balance Sheet	3410.35	3044.68
	3697.47	3331.80

2. DIVIDEND:

The Directors are pleased to recommend payment of dividend @ 15% on the Equity Share Capital (Rs. 1.50 per share of the value of Rs. 10/- each) for the year ended 31st March, 2016.

3. PERFORMANCE:

- The Company's gross turnover for the year amounted to Rs. 262 crores as compared to Rs. 277 crores in the previous year. The Company earned a profit (before exceptional items and tax) of Rs. 17.32 crores as compared to Rs. 10.87 crores in the previous year, mainly due to softening of raw material and other input costs, which in turn affected the sales prices.
- Exceptional items of Rs. 6.82 crores represent, Provision for doubtful debts and advances relating to receivables from M/S. Bilcare Ltd. The Company has made this provision out of abundant precaution. Further, the Company has been informed by Bilcare Ltd, that they are undertaking restructuring of their debts and are hopeful of settling the dues.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2016 and of the Profit of the Company for the year ended 31st March, 2016.
- (c) Proper and sufficient care have been taken 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.
- (d) The annual accounts have been prepared on a going concern basis.
- (e) The company has laid down internal financial controls to be followed and that such financial controls are adequate and operating effectively and
- (f) The company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Re-appointment of Director liable to retire by rotation -

In terms of Section 152 of the Companies Act, 2013, Mr. Suresh A. Gandhi, Director is liable to retire by rotation at the ensuing Annual General Meeting and offer himself for re-appointment.

Other information pertaining to Mr. Suresh A. Gandhi is provided in Corporate Governance Report annexed as Annexure IIA to this Report.

Independent Director(s) Declaration:

The Independent Directors have submitted the declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013, and Listing Regulations, stating that they meet the criteria of independence as provided therein.

6. EVALUATION OF THE BOARD'S PERFORMANCE:

In compliance with the provisions of Companies Act, 2013, and Regulation 17 of the Listing Regulations. it is necessary to evaluate the performance of the Board and its members by the independent Directors of the Company. Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, a separate meeting of the Independent Directors was held on 19th March, 2016 without the attendance of non-independent Directors and company executives. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views.

7. CONSERVATION OF ENERGY:

Details relating to the Conservation of Energy and Technology absorption and foreign exchange earnings and outgoings as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure I forming part of the Directors' Report.

8. CORPORATE GOVERNANCE:

In terms of Listing Regulations and Companies Act, 2013, a report on the Corporate Governance along with a certificate from the Secretarial Auditor of the Company regarding compliance of the conditions of Corporate Governance and Management Discussion and Analysis Report are given in **Annexure II and III** respectively, to this report.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The CSR committee comprises Mr. Robin Banerjee, Mr. Suresh A. Gandhi and Mr. Bhoumick S. Vaidya as members of the Committee. The CSR committee have formulated and recommended to the Board a Corporate Social

Responsibility Policy (CSR Policy) indicating the list of activities to be undertaken by the Company and the same has been approved by the Board.

The Company has adopted a Municipal School in Nasik for carrying out the CSR activities and the same is in progress.

The Annual Report on CSR activities is given in **Annexure IV** to this report.

10. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, no reportable material weakness in the design or operation were observed.

11. RISK MANAGEMENT:

During the year the Risk Management Committee deliberated upon the probable risk areas and took appropriate actions.

12. VIGIL MECHANISM:

Under the vigil mechanism of the Company, by way of a Whistle Blower Policy, protected disclosure can be made by a whistle blower to the Managing Director. The Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.caprihansindia.com/corporatepolicy>

13. AUDITORS AND AUDITORS REPORT:

STATUTORY AUDITOR:

At the Sixty-ninth Annual General Meeting (AGM) held on 28th September, 2015, M/S. S R B C & Co. LLP, Chartered Accountants (ICAI Firm Reg. No 324982E/E300003), were appointed as the Statutory Auditors of the Company to hold office for five years, from the conclusion of the Sixty-ninth AGM until the conclusion of Seventy-fourth AGM of the Company to be held in the year 2020, subject to ratification of the appointment by the Members at every AGM held after 69th AGM.

The observations of the Statutory Auditors' in Annexure 1 to their report dated 20th May, 2016 (Refer Serial Nos iii and xiii) regarding related party transactions are explained under Note No. 23 of the Financial Statement.

COST AUDITOR:

At the Sixty-ninth Annual General Meeting (AGM) held on 28th September, 2015, M/S. Dhananjay V Joshi & Associates, Cost Accountants (Firm Reg. No 000030), were appointed as Cost Auditors of the Company, for conducting the audit of cost records of the Company for the financial year 2015-16.

SECRETARIAL AUDITOR:

The Board had appointed M/s Rathi & Associates, Company Secretaries in wholetime practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-16.

The Report of the Secretarial Auditor pursuant to Section 204(1) of the Companies Act, 2013 and the rules made thereunder is given in **Annexure V** to this report.

The Secretarial Auditor's observation in their report dated 20th May, 2016, that the Chairman of the Audit Committee is not an independent director, the Board wishes to state that at the Meeting of Board of Directors held on 20th May, 2016, Mr. Siddharth S. Shetye, an independent director, has been appointed as the Chairman of the Audit Committee in place of Mr. Suresh A. Gandhi, a non-executive non-independent director, thereby complying with the Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

14. DISCLOSURES:

(a) AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Siddharth S Shetye (Chairman), Mr. Suresh A Gandhi and Mr. Bhounick S Vaidya as members. All the recommendations made by the Audit Committee were accepted by the Board.

(b) PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 (herein referred as Act), read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of the Annual Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 also forms part of the Annual Report.

However, as per the provisions of Section 136(1) of the Act, the Report and Accounts are being sent to the members, excluding the aforesaid information. Any member interested in obtaining such particulars may inspect the same at the Registered Office of the Company.

(c) EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the annual return is given in **Annexure VI** to this report.

(d) NUMBER OF BOARD MEETINGS:

The Board of Directors met 7 (Seven) times in the year 2015-16. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

(e) RELATED PARTY TRANSACTIONS:

All the related party transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Regulations. All the related party transactions are presented to the Audit Committee for their recommendations to the Board.

The Related Party Transaction Policy is available on the Company's website at the link: <http://www.caprihansindia.com/corporatepolicy>

The disclosure relating to the transaction with related parties are mentioned in Note No. 27 to the notes on financial statement.

(f) PARTICULARS OF LOAN GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of loan given are provided in the Note No 9 to the notes on financial statements.

15. INDUSTRIAL RELATIONS:

The industrial relations remained cordial during the year.

16. ACKNOWLEDGEMENT:

The Board wishes to place on record its appreciation of the services rendered by the employees of the Company. The Board also wishes to thank the Bankers for the co-operation and assistance extended by them.

On behalf of the Board of Directors

ROBIN BANERJEE
Managing Director

Place : Pune
Dated : 20th May, 2016

BHOUMICK S. VAIDYA
Director

Annexure I to the Directors' Report

A. CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy:

- Improved Production planning.
- Installation of Steam Traps and Steam Meters in steam-conveying lines.
- Maintaining the improved power factor.
- Optimum usage of plant.
- Replacement of HMPV lights by LED lights.
- Replacement of old pumps by energy efficient pumps.

(ii) Steps taken by the Company for utilizing alternate source of energy:

- Possibilities of using alternate source of energy at reasonable capex could not be found.

(iii) The Capital investment on energy conservation equipment:

- Replacement of DC motor by AC motor for certain equipments.

B. TECHNOLOGY ABSORPTION:

(i) Major efforts made towards technology absorption:

- Establishing ISO 9001:2008 bringing better systems and processes, improved quality in all production lines which is in line with customer expectations.
- Working on different formulations including cost effective ones.

(ii) The benefit derived like product improvement, cost reduction, product development or import substitution:

- Achieved better quality and higher line efficiency.
- Cost effective finished products.
- Different variants depending upon customer specific requirements.

(iii) Information regarding imported technology:

NIL

(Imported during last three years)

(iv) Expenditure incurred on Research and Development:

	Year ended 31st March, 2016 (Rs. in Lakhs)
(a) Capital	20.15
(b) Recurring	62.16
(c) Total	82.31

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- Activities relating to Exports : The exports of goods during the year amounted to Rs. 3273 Lakhs.
- Total foreign exchange
 - Used : (i) CIF Value of Imports– Rs. 10964 lakhs.
(ii) Expenditure in foreign currency- Rs. 90 lakhs. (For details refer Note 33 of Notes on Financial statement).
 - Earned : FOB value of exports - Rs. 3273 lakhs.

Annexure II to the Directors' Report - Corporate Governance

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of high level of transparency and accountability across all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

2. Board of Directors

(a) Composition:

The composition of the Board as on 31st March, 2016 is as follows:

Name and Designation of the Director	Category	*No. of Directorships and Committee Membership/Chairmanship (Other than Caprihans India Limited)		
		Other Directorship	**Other Committee Membership	**Committee Chairmanship
Mr. Mofatraj P. Munot (Chairman)	Promoter Non-Executive	2	1	—
Mr. Mohan H. Bhandari	Promoter Non-Executive	2	2	—
Mr. Robin Banerjee (Managing Director)	Executive	2	—	1
Mr. Suresh A. Gandhi	Non-Promoter Non-Executive	—	—	—
Mr. Bhoumick S. Vaidya	Independent Non-Executive	—	—	—
Mr. K. V. Mani	Independent Non-Executive	1	—	1
Ms. Anjali Seth	Independent Non-Executive	5	2	—
Mr. Siddharth S. Shetye	Independent Non-Executive	—	—	—
Mr. Nitin K. Joshi	Independent Non-Executive	—	—	—

Notes:

* Directorships in private companies, foreign companies and associations are excluded.

** Represent Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only.

Out of total strength of Nine (9) Directors as on 31st March, 2016, five are independent which complies with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the composition of the Board.

(b) Profile of Directors:

A brief profile of Directors seeking re-appointment is given in Annexure II A to this report.

(c) Number of Board Meetings, attendance at Board Meetings and previous Annual General Meeting:

During the year ended 31st March, 2016, Seven (7) Board Meetings were held on 22/05/2015, 07/08/2015, 26/08/2015, 06/11/2015, 05/12/2015, 18/12/2015 and 05/02/2016.

Attendance at above Board Meetings and at last Annual General Meeting (AGM) held on 28th September, 2015 is as under:

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Mr. Mofatraj P. Munot	3	YES
Mr. Mohan H. Bhandari	5	YES
Mr. Robin Banerjee	7	YES
Mr. Suresh A. Gandhi	3	YES
Mr. Bhounick S. Vaidya	7	YES
Mr. K. V. Mani	2	YES
Ms. Anjali Seth	2	NO
Mr. Siddharth S. Shetye	5	NO
Mr. Nitin K. Joshi	7	NO

Shareholding of Non-Executive Directors as on 31/03/2016 is as under:

Name of the Director	No. of Shares
Mr. Mofatraj P. Munot	664371
Mr. Mohan H. Bhandari	—
Mr. Suresh A. Gandhi	65436
Mr. Bhounick S. Vaidya	—
Mr. K. V. Mani	—
Ms. Anjali Seth	—
Mr. Siddharth S. Shetye	—
Mr. Nitin K. Joshi	—

(d) Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics for all the Board Members, and all the employees in the management Grade of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website at the link:

<http://www.caprihansindia.com/corporatepolicy>

A declaration signed by Managing Director is published in this report.

(e) Meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, a separate meeting of the Independent Directors was held on 19th March, 2016 without the attendance of non-independent Directors and company executives. The meeting was attended by Mr. K.V.Mani, Mr. Bhounick S Vaidya, Mr. Nitin K. Joshi and Mr. Siddharth S. Shetye. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views.

3. Committees of the Board

A. Audit Committee:

Composition and Attendance at the Meeting:

During the year ended 31st March, 2016 five (5) Audit Committee Meetings were held on 22/05/2015, 07/08/2015, 26/08/2015, 06/11/2015, and 05/02/2016. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of Meetings attended
Mr. Suresh A. Gandhi	Chairman	Non-Promoter Non-Executive	3
Mr. Bhounick S. Vaidya	Member	Independent Non-Executive	5
Mr. Siddharth S. Shetye	Member	Independent Non-Executive	5

The terms of reference, role and scope are in line with those prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Mr. K. R. Viswanathan, the Company Secretary, acts as the Secretary to the Committee.

B. Nomination and Remuneration Committee:

Composition and Attendance at the Meeting:

During the year ended 31st March, 2016 no meeting was held. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of Meetings attended
Mr. Nitin K. Joshi	Chairman	Independent Non-Executive	—
Mr. Bhounick S. Vaidya	Member	Independent Non-Executive	—
Mr. K. V. Mani	Member	Independent Non-Executive	—

The terms of reference, role and scope are in line with those prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration to Non-Executive Directors:

All Non-Executive Directors shall be paid sitting fees for participation in the Board/Committee Meetings as approved by the Board of Directors within the limits prescribed under the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Managing Director & CEO:

At the time of appointment or re-appointment, the Managing Director & CEO shall be paid such remuneration as may be mutually agreed between the Company (which included Nomination & Remuneration Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under Companies Act.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Managing Director & CEO is broadly divided into fixed and variable component. The fixed compensation shall be salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of performance bonus.

The company shall decide from time to time, revisions in the remuneration as it deems fit.

Remuneration of Senior Management Employees:

The remuneration is divided into two components viz., fixed component shall comprise of salary, allowances, perquisites, amenities and retirement benefits and the variable component shall comprise of performance based incentives.

The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual performance.

The Managing Director & CEO will carry out the individual performance review based on standard appraisal and after taking into account the appraisal score and the other factors mentioned above.

Remuneration to Directors

The details of remuneration paid to Mr. Robin Banerjee, Managing Director is as under:

Sl. No	Particulars	Rs. in lakhs
1	Gross Salary including perquisites	106.50
2	Company's contribution to Provident & Other Fund	7.92
	TOTAL	114.42

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall Company basis.

The details of Directors sitting fees paid to Non-Executive Directors during the period 01/04/2015 to 31/03/2016 are given below:

Name of the Director	Amount Rs. in lakhs
Mr. Mofatraj P. Munot	0.60
Mr. Mohan H. Bhandari	1.00
Mr. Suresh A. Gandhi	1.20
Mr. Bhoumick S. Vaidya	2.60
Mr. K. V. Mani	0.40
Ms. Anjali Seth	0.40
Mr. Siddharth S. Shetye	2.00
Mr. Nitin K. Joshi	1.40
Total	9.60

C. Stakeholders Relationship Committee:

Composition and Attendance at the Meeting:

During the year ended 31st March, 2016 one meeting was held on 05/02/2016. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of Meetings attended
Mr. Bhoumick S. Vaidya	Chairman	Independent Non-Executive	1
Mr. Robin Banerjee	Member	Executive	1
Ms. Anjali Seth	Member	Independent Non-Executive	—

The Committee oversees redressal of shareholders and Investor grievances/complaints. Mr. P. N. Srinivasan, Asst. Secretary is the Compliance Officer of the Company.

The Company is prompt in attending to complaints/queries from Shareholders/Investors. The total number of complaints received and attended during the period 01/04/2015 to 31/03/2016 are 15. The number of complaints received from SEBI is nil. No transfers were pending as on 31st March, 2016.

CSR Committee:

The CSR committee comprises Mr. Robin Banerjee, Mr. Suresh A Gandhi and Mr. Bhounick S Vaidya as members of the Committee. The CSR committee have formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the list of activities to be undertaken by the Company and the same has been approved by the Board.

The Company had adopted a Municipal School in Nasik for carrying out the CSR activities and the same is in progress.

The terms of reference, role and scope are in line with those prescribed by provisions under Companies Act, 2013.

Risk Management Committee (RMC):

The Board has approved a Risk Management Policy and authorized the Managing Director to comply with the provisions relating to the implementation of the policy and matters incidental thereto. The Risk Management Committee (RMC) have the following as members:

- MD
- CFO
- Factory Heads of Plants

During the year the Risk Management Committee deliberated upon the probable risk areas and took appropriate actions.

4. General Body Meetings

During the preceding three years, the Company's Annual General Meeting were held at Sunville Banquets, Mumbai – 400018 (for the financial year 2014-2015) and at Ravindra Natya Mandir, Mumbai – 400025 (for the financial year 2012-13 & 2013-14). The date and time of Annual general Meetings held during the last three years, and the special resolution(s) passed thereat, are as follows:

Financial year ended	Date	Time	Special Resolution Passed
31-03-2015	28th September 2015	3 p.m.	No Special Resolution was passed.
31-03-2014	26th September 2014	4 p.m.	Special Resolution for authorizing Board of Directors for restructuring the terms of repayment schedule of Inter Corporate Deposit of Rs. 5 crores placed with Bilcare Ltd.
31-03-2013	6th September 2013	4 p.m.	Special Resolution for appointment and payment of remuneration to Managing Director.

5. Disclosures

- Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

The Company has an agreement with Kalpataru Ltd (KL) (formerly known as Kalpataru Homes Limited) whereby KL has underwritten the amount to be realized by the Company from the disposal of its non-core assets. Mr. Mofatraj P. Munot is a Director of KL. The performance of KL under this agreement has been guaranteed amongst others by Mr. Mofatraj P Munot and Mr. Suresh A Gandhi, Directors of the Company. Any enforcement action that the Company might be required to adopt in respect of the aforesaid agreement or the performance guarantee will potentially result in a conflict of interest between the Company and Mr. Mofatraj P Munot and Mr. Suresh A Gandhi who are the Directors/Promoters of the Company.

The Company has entered into various transactions from time to time with Bilcare Ltd such as sale and purchase of goods, job work and placement of inter- corporate deposits. The total amount outstanding as at the year end on account of these transactions aggregates to Rs. 682.03 lakhs and Mr. Mohan H. Bhandari, is the Promoter Director of Bilcare Ltd. Any action that the Company might be required to adopt in respect of the aforesaid transactions will potentially result in conflict of interest between the Company and Mr. Mohan H. Bhandari who is the Director of the Company.

- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the last three years: **NONE**.
- **CEO / CFO Certification:**
A certification from the CEO and CFO in terms of Regulation 17(8) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board Meeting held on 20th May, 2016 in connection with the Audited Annual Accounts for the year ended 31st March, 2016.

6. Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a vigil mechanism and whistle blower policy under which employees are free to report violations of applicable laws and regulations and the Code of conduct. Employees may also report to the Chairman of the Audit Committee.

7. Means of Communication:

Half-yearly report sent to each household of shareholders	:	No, the results of the Company are published in Newspapers.
Quarterly results	:	– do –
Any website, where displayed	:	Yes, on Company's website www.caprihansindia.com
Presentations made to institutional Investors or to the analysts	:	No
Newspapers in which results are normally published in	:	- The Free Press Journal (English) - Navashakti (Marathi)
Whether MD&A is a part of Annual Report or not	:	Yes, forms part of the Director's Report.

8. General Shareholder Information:

Annual General Meeting

- **Date and Time** : 30th September, 2016 at 11.00 a.m.
- **Venue** : Sunville Banquets, Royal Hall, 3rd floor, Middle of Worli Flyover, 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.

- Financial Calendar** : (a) 1st April, 2016 to 31st March, 2017.
(b) First quarter results by mid of August, 2016.
(c) Second quarter results by mid of November, 2016.
(d) Third quarter results by mid of February, 2017.
(e) Results for the year ending 31st March, 2017 by end of May, 2017.

Date of Book Closure : 22nd September, 2016 to 30th September, 2016 (both days inclusive)

Dividend payment Date : After 30th September, 2016.

Corporate Identity Number (CIN) : L29150MH1946PLC004877

Listing on Stock Exchange : BSE Ltd.

The Company has paid the applicable listing fee.

Stock Code

BSE (Physical form) : 9486

BSE (Demat form) : 509486

ISIN number for NSDL/CDSL : INE479A01018

Listing Fee: The Company has paid the listing fee for the Financial Year 2015-16 to BSE Ltd, where the Company's shares are listed.

Market Price Data: High/Low during each month in the last 12 months (i.e. from 01/04/2015 to 31/03/2016) and performance in comparison to BSE Sensex.

Paid-up value – Rs. 10/- per Share

Month	Share Price of Caprihans India Ltd.		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
2015				
April	87.80	66.00	29094	26897
May	89.90	75.20	28071	26423
June	78.90	62.05	27968	26307
July	85.90	70.20	28578	27416
August	93.80	68.50	28417	25298
September	78.80	68.05	26471	24833
October	85.00	72.00	27618	26168
November	94.00	74.20	26824	25451
December	98.40	78.20	26256	24867
2016				
January	110.00	81.30	26197	23839
February	94.75	71.95	25002	22494
March	85.00	76.00	26100	23133

Name and Address of the Registrar & Transfer Agents:

Link Intime India Pvt. Ltd.,

C – 13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West),

Mumbai - 400 078

Phone : 2596 3838

Fax : 2594 6969

Share Transfer System

Messrs. Link Intime India Pvt Ltd is the Common agency (Registrar & Transfer Agents) for both physical and electronic mode of transfer of shares. The share held in physical mode can be lodged at the above mentioned address for transfer. The Share Transfer Committee of the Company approves the transfer of shares and share certificates are dispatched within the stipulated time, if the documents are complete in all respects.

Distribution of Shareholding as on 31st March, 2016

Range	No. of Shareholders	% of Total	No. of Shares held	% of Total
1 – 500	8505	92.56	894940	6.81
501 – 1000	350	3.81	282905	2.15
1001 – 2000	144	1.57	218480	1.66
2001 – 3000	65	0.71	161074	1.23
3001 – 4000	25	0.27	88693	0.68
4001 – 5000	25	0.27	117807	0.90
5001 – 10000	37	0.40	273984	2.09
Over 10000	38	0.41	11096088	84.48
TOTAL	9189	100.00	13133971	100.00

Shareholding pattern as on 31st March, 2016

Sr. No.	Type of shareholders	No. of shares held	% of Total
1	Promoters		
	Foreign	6698325	51.00
	Indian	2748498	20.93
2	Financial Institutions & Banks	483370	3.68
3	FII's & OCB's	450	0.00
4	Mutual fund/s	5016	0.04
5	Non-resident Indians	35089	0.27
6	Domestic Companies	548817	4.18
7	Individuals	2614406	19.90
	TOTAL	13133971	100.00

Dematerialisation of shares and liquidity

As directed by SEBI, Company's shares are traded compulsorily in dematerialised form from 28th August, 2000. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Service India Limited (CDSL) for this purpose. As of 31st March, 2016 a total of 12839425 shares of the Company, which forms 97.76% of the share capital of the Company stand dematerialised.

Your Company's shares are liquid and actively traded on BSE.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments

Plant Locations : 1. Plot Nos. C-13/16, Road No. 16/T, Wagle Industrial Estate, Thane - 400 604
2. Plot Nos. 76/77, MIDC Industrial Estate, Trimbak Road, Satpur, Nasik - 422 007

Address for correspondence : CAPRIHANS INDIA LIMITED
Block - D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018
Tel. 3047 8664

9. Non-Mandatory Requirements

The Company at present has not adopted the Non-Mandatory requirements in regard to maintenance of Non-Executive Chairman's office, and sending half-yearly financial performance to the shareholders to their residence. Postal ballots as required by the Companies Act, 2013 will be followed by the Company.

Certificate of Compliance with The Code of Conduct

As provided under Regulation 17(8) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2016.

For CAPRIHANS INDIA LIMITED

Place : Mumbai

ROBIN BANERJEE

Dated : 20th May, 2016

Managing Director

Certificate on Corporate Governance

To The Members of Caprihans India Ltd.

We have examined the compliance of conditions of Corporate Governance by Caprihans India Limited (“the Company”) for the year ended 31st March, 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management; our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Stock Exchanges, except for chairmanship of the Audit Committee.

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

For RATHI & ASSOCIATES
Company Secretaries

Place : Mumbai

Date : 20th May, 2016

Jayesh Shah

Partner

CP No. 2535

Annexure II A

Details of Director seeking re-appointment at the forth coming Annual General Meeting

Name of the Director	Mr. Suresh A. Gandhi
DIN	00128495
Date of Birth	25th September, 1950
Date of first appointment	1st August, 1983
Qualifications	Chartered Accountant
Expertise in specific functional areas and experience	Mr. Suresh A. Gandhi became a Director in 1983 and was Managing/ Jt. Managing Director from 1984 to 1997. Mr. Suresh A. Gandhi has vast experience and knowledge in the field of plastics and real estate. He is a member of various committees related to plastic industry.
Directorships held in other Companies (Excluding Private Companies)	—
Committee positions held in other companies	—
Number of Equity shares held in the Company	65436

Annexure III to the Directors' Report

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENTS

Caprihans is one of the largest manufacturers of PVC Films, consisting of both Flexible and Rigid. The company is one of the leading players in pharma/non pharma packaging industry in India, producing high quality products. The Company operates from its two plants located at Thane and Nasik, Maharashtra. The company also has sales offices across India.

The Company is engaged in the processing of plastic polymers and manufactures PVC films by calendering process. It also produces PVDC coated Rigid PVC film and certain other plastic products through extrusion processes. Rigid PVC film is largely used for packaging in the Pharmaceutical, Food and FMCG industries. Flexible PVC film and plastic extruded products are used for a variety of industrial and consumer applications. Overall growth rate of the market size is estimated to be around 10% annually.

The image of the Company, built through decades of quality products and efficient customer service is the major strength of the Company. The Company has a significant share of the Rigid PVC film market and is also the quality leader in the Flexible PVC film market.

OPPORTUNITIES, THREATS AND OUTLOOK

The Company foresees opportunities of growth in the coming years. With the growing trend of mass consumerism and better living standards, demand for Company's products are expected to grow. Opportunities can also be explored to convert certain non-PVC packaging applications into PVC-based films. Though the Company is a major player for over decades, it faces competition in domestic market, as similar products being made available by many local players belonging mostly to the unorganised sector. However, Company always remained as a preferred vendor in the respective segments being a quality supplier. The overall capacity in the industry is significantly more than the overall demand leading to threats of margin pressures.

Imports of PVC films at low cost especially from China continues to be a threat. Though as of now there is not much impact in the market place, but probable risk exists. Superior customer service, timely delivery and appropriate pricing we believe, will help us to mitigate some portion of the potential risk.

SEGMENT PERFORMANCE

Company's business is covered under single business segment.

RISKS AND CONCERNS

PVC resin, used as key raw material has many industrial competing applications. Resin is a by-product of Petroleum. Given the volatility in Global crude oil price and demand for polymers for competing applications, the pressure on the input costs can be expected to fluctuate. Demand for PVC resin in the country has been increasing every year. Domestic supply is not adequate to meet the rising demand. Hence imports are made to fulfil resin requirements as and when required, which is subjected to forex risks, logistics issues and import-duty regulations if any.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Company has proper and adequate internal control systems to ensure that its assets are safeguarded and that transactions are properly authorised, reported and recorded. The Company has also a system of internal audit and management reviews to ensure compliance with the prescribed procedures and authority levels.

FINANCIAL PERFORMANCE

Company's Gross Sales for the year stood at Rs. 262 crores compared to Rs. 277 crores during the previous year. However, margins during the year improved due to favourable fluctuations in major raw materials, and cost effectiveness measures mainly in utilities. Better product mix and cost savings in energy, yielded company's improved profitability. The Company earned a profit (before exceptional items and tax) of Rs. 17.32 crores as compared to Rs. 10.87 crores in the previous year mainly due to softening of raw material and other input costs, which in turn affected the sales prices.

Company's Financial position for ten (10) years is appended separately in the Annual Report.

HUMAN RESOURCES

The Company appreciates continued efforts of its dedicated team of employees. Industrial relations by and large remained cordial during the year. The number of employees on the roll as on 31st March, 2016 was 390 across all locations. The Company accords very high priority to safety in all aspects of its operations. The employees are trained in various aspects of safety.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing Company's objectives, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect Company's operations include significant change in political and economic environment in India or key markets abroad, tax laws, environmental laws, litigations, labour relations, exchange rate fluctuation, interest and other costs.

Annexure IV

Corporate Social Responsibility (CSR) Report:

1.	A brief outline of the Company's CSR Policy, including overview projects or programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and projects or programs.	The CSR activities are carried out directly by the Company by identifying activities. The Company has formed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Companies website : www.caprihans.india.com/Policy
2.	The Composition of the CSR Committee	1. Mr. Suresh A Gandhi - Chairman 2. Mr. Robin Banerjee - Member 3. Mr. Bhounick S Vaidya - Member
3.	Average net profit of the company for last three financial years (Amount in Rs. Lakhs).	Rs. 978.90 lakhs
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 19.58 lakhs
5.	Details of CSR spent during the financial year	
	(1) Total amount to be spent for the Financial Year 2015-16	Rs. 19.58 lakhs
	(2) Amount unspent, if any as on 31/03/2016	Rs. 23.24 lakhs
	(3) Manner in which the amount spent during the financial year:	Amount spent towards improving the infrastructure of a Municipal school in Nashik in the vicinity of our Nashik Plant. The full required amount could not be spent as the company awaited the permission from the local government authorities as the school is a Municipal School. The permission was received in March 2016, and action plan drawn to spend the requisite unspent amount during the ensuing financial year. The Company is focussed on adopting and making it a model school in the area.

Annexure V to the Directors' Report

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To,
The Members,
Caprihans India Limited
Block D, Shivsagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai,
Maharashtra - 400018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Caprihans India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Caprihans India Limited** ("the Company") as given in **Annexure I**, for the financial year ended on 31st March, 2016, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) 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;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - v. 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; and
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings and Overseas Direct Investment were not attracted to the Company under the financial year under report.
4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in **Annexure II**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (upto 30th November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015);

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except: the Chairman of the Audit Committee is not an Independent Director as stipulated under the Regulation 18 (1)(d) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We 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. No changes in the composition of the Board of Directors took place during the financial year under report.

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. For the Board Meeting held on February 5, 2016, two Directors requested for participation through electronic mode and the Board of Directors discussed the same at the said meeting.

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

We 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.

For RATHI & ASSOCIATES
Company Secretaries

Jayesh Shah
Partner

Place: Mumbai

Date: 20th May, 2016

FCS No.: 5637

COP No.: 2535

This report to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
Caprihans India Limited
Block D, Shivsagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai,
Maharashtra - 400018

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES
Company Secretaries

Jayesh Shah
Partner

Place: Mumbai

Date: 20th May, 2016

FCS No.: 5637

COP No.: 2535

Annexure - I

List of documents Verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2015;
3. Minutes of the Board of Directors and Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Company along with the respective Attendance Registers for meetings held during the financial year under report;
4. Minutes of General Body Meetings held during the financial year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee Meetings.
6. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards.
7. Policies framed by the Company viz.
 - Policy on Related Parties Transactions,
 - Policies on Material Subsidiaries,
 - Whistle Blower Policy,
 - Corporate Social Responsibility Policy,
 - Risk Management Policy & Framework,
 - Nomination & Remuneration Policy,
 - Code of Conduct for Independent Directors,
 - Code of Conduct for Employees and
 - Internal Financial Controls;
8. Statutory Registers viz.
 - Register of Directors & KMP.
 - Register of Directors' Shareholding.
 - Register of loans, guarantees and security and acquisition made by the Company (Form No. MBP-2),
 - Register of Contracts with related party and contracts and Bodies etc. in which directors are interested (Form No. MBP-4)
 - Register of Charges (Form No. CHG-7);
9. Copies of Notice, Agenda and Notes to Agenda papers submitted to all the directors/members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
11. Intimations received from directors under the prohibition of Insider Trading Code;
12. e-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
13. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
14. Documents related to payments of dividend made to its shareholders during the financial year under report;
15. E-mails evidencing dissemination of information related to closure of Trading window;
16. Internal Code of Conduct for prevention of Insider Trading by Employee/Directors/Designated Persons of the Company;
17. Compliance Certificate placed before the Board of Directors from time to time;
18. Documents filed with Stock Exchanges;
19. Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines;
20. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

Annexure - II

List of applicable laws to the Company:

1. Factories Act, 1960
2. Industries (Development & Regulation) Act, 1951
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue Laws of respective States;
8. Labour Welfare Act of respective States;
9. Local Laws as applicable to various offices and plants;

Annexure VI to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2016

[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: -	L29150MH1946PLC004877
(ii)	Registration Date	11/04/1946
(iii)	Name of the Company	CAPRIHANS INDIA LIMITED
(iv)	Category/Sub-Category of the Company	Public Company limited by shares
(v)	Address of the Registered office and contact details	Block-D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018 Tel.: 30478664, 30478665 Fax: 022 24934042 Email: cil@caprihansindia.com
(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, LBS Marg, Bhandup, Mumbai - 400078 Tel: 022 25963838 Fax: 022 25946969 Email: rnt.helpdesk@linkintime.co.in

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/ service	NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacture of Plastics & Polymers	3920	96%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Bilcare Research, GmbH Radebeulstrasse 1 79219, Staufen, Germany	N.A.	Holding Company	51%	2(46)

IV. SHAREHOLDING PATTERN (Equity Share capital Break-up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	Shareholding at the beginning of the year - 01/04/2015				Shareholding at the end of the year - 31/03/2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group									
(1) Indian									
a) Individuals/Hindu Undivided Family	1209523	0	1209523	9.2091	1209523	0	1209523	9.2091	0.0000
b) Central Government/State Government(s)	0	0	0	0.0000	0	0	0	0	0.0000
c) Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0	0.0000
d) Any Other (Specify)									0.0000
Bodies Corporate	1538975	0	1538975	11.7175	1538975	0	1538975	11.7175	0.0000
SUB TOTAL: (A) (1)	2748498	0	2748498	20.9266	2748498	0	2748498	20.9266	0.0000
(2) Foreign									
a) Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0	0.0000
b) Government	0	0	0	0.0000	0	0	0	0	0.0000
c) Institutions	0	0	0	0.0000	0	0	0	0	0.0000
d) Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0	0.0000
e) Any Other (Specify)									0.0000
Bodies Corporate	6698325	0	6698325	51.0000	6698325	0	6698325	51.0000	0.0000
SUB TOTAL: (A) (2)	6698325	0	6698325	51.0000	6698325	0	6698325	51.0000	0.0000
Total Shareholding of Promoter and Promoter Group (A) = (A) (1)+(A)(2)	9446823	0	9446823	71.9266	9446823	0	9446823	71.9266	0.0000
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	1500	1016	2516	0.0192	1500	1016	2516	0.0192	0.0000
b) Venture Capital Funds	0	0	0	0.0000	0	0	0	0	0.0000
c) Alternate Investment Funds	0	0	0	0.0000	0	0	0	0	0.0000
d) Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0	0.0000
e) Foreign Portfolio Investor	0	450	450	0.0034	0	450	450	0.0034	0.0000
f) Financial Institutions/Banks	350	0	350	0.0027	350	0	350	0.0027	0.0000
g) Insurance Companies	483020	0	483020	3.6776	483020	0	483020	3.6776	0.0000
h) Provident Funds/Pension Funds	0	0	0	0.0000	0	0	0	0	0.0000
i) Any Other (Specify)									
UTI	0	2500	2500	0.0190	0	2500	2500	0.019	0.0000
SUB TOTAL: (B)(1)	484870	3966	488836	3.7219	484870	3966	488836	3.7219	0.0000
(2) Non Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1537947	297809	1835756	13.9772	1437246	284930	1722176	13.1124	-0.8648
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	610862	0	610862	4.6510	635903	0	635903	4.8417	0.1907
b) NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0	0.0000
c) Employee Trusts	0	0	0	0.0000	0	0	0	0	0.0000

Category of Shareholders	Shareholding at the beginning of the year - 01/04/2015				Shareholding at the end of the year - 31/03/2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0	0.0000
e) Any Other (Specify)									
Trusts	850	0	850	0.0065	850	0	850	0.0065	0.0000
Hindu Undivided Family	124872	0	124872	0.9508	280592	0	280592	2.1364	1.1856
Non Resident Indians (Non Repat)	18927	1380	20307	0.1546	21344	1180	22524	0.1715	0.0169
Other Directors	256327	0	256327	1.9516	256327	0	256327	1.9516	0.0000
Non Resident Indians (Repat)	16874	285	17159	0.1306	12280	285	12565	0.0957	-0.0349
Clearing Member	17113	0	17113	0.1303	19294	0	19294	0.1469	0.0166
Market Maker	2084	0	2084	0.0159	150	0	150	0.0011	-0.0148
Bodies Corporate	308797	4185	312982	2.3830	243746	4185	247931	1.8877	-0.4953
SUB TOTAL: (B)(2)	2894653	303659	3198312	24.3514	2907732	290580	3198312	24.3514	0.0000
Total Public Shareholding (B) = (B)(1)+(B)(2)	3379523	307625	3687148	28.0734	3392602	294546	3687148	28.0734	0.0000
Total (A)+(B)	12826346	307625	13133971	100.0000	12839425	294546	13133971	100.0000	0.0000
C. Non Promoter - Non Public									
1) Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A+B+C)	12826346	307625	13133971	100.0000	12839425	294546	13133971	100.0000	0.0000

(ii) Share Holding of Promoters

Sl. No.	Promoter's Name	Shareholding at the beginning of the year - 01/04/2015			Shareholding at the end of the year - 31/03/2016			% 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.	Bilcare Research Gmbh	6698325	51.0000	100.00	6698325	51.0000	100.00	0.00
2.	K. C. Holdings Pvt. Ltd.	1242609	9.4610		1242609	9.4610		0.00
3.	Mofatraj Pukharaj Munot	664371	5.0584		664371	5.0584		0.00
4.	Parag Mofatraj Munot	445496	3.3919		445496	3.3919		0.00
5.	Kalpataru Properties Pvt. Ltd.	273736	2.0842		273736	2.0842		0.00
6.	Imtiaz Kanga	38288	0.2915		38288	0.2915		0.00
7.	Mohammed Ismail Kanga	29748	0.2265		29748	0.2265		0.00
8.	Monica Parag Munot	26300	0.2002		26300	0.2002		0.00
9.	Yugdham Investment & Trading Co. Pvt. Ltd.	22350	0.1702		22350	0.1702		0.00
10.	Tara Kanga	5250	0.0400		5250	0.0400		0.00
11.	Mrigashish Investment and Trading Limited	140	0.0011		140	0.0011		0.00
12.	Shouri Investment and Trading Company Pvt. Ltd.	140	0.0011		140	0.0011		0.00
13.	Yasmin Imtiaz Kanga	70	0.0005		70	0.0005		0.00
	Total	9446823	71.9266	70.91	9446823	71.9266	70.91	0.00

(iii) Change in Promoters' Shareholding

Shareholding at the beginning of the year - 01/04/2015		Cumulative Shareholding during the year				Shareholding at the end of the year - 31/03/2016	
No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	Date of Change	Reason of Change	No. of shares	% of total shares of the company
9446823	71.93	0	0.00			9446823	71.93

(iv) Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year - 01/04/2015		Date wise increase/ (decrease) in shareholding during the year		Shareholding at the end of the year - 31/03/2016	
		No. of shares	% of total shares of the company	Date of Transaction	No. of shares	No. of shares	% of total shares of the company
1.	Life Insurance Corporation of India	483020	3.6776	—	0	483020	3.6776
2.	Maya Rawat	128592	0.9791	—	0	128592	0.9791
3.	Risewell Credit Pvt. Ltd.	41228	0.3139	08/05/15	(2000)	39228	0.2987
		39228		22/05/15	(500)	38728	0.2949
		38728		10/07/15	(1696)	37032	0.2820
		37032		17/07/15	(1000)	36032	0.2743
		36032		24/07/15	(5000)	31032	0.2363
		31032		31/07/15	(175)	30857	0.2349
		30857		07/08/15	(8000)	22857	0.1740
		22857		04/09/15	(1563)	21294	0.1621
		21294		25/09/15	(2000)	19294	0.1469
		19294		30/09/15	(366)	18928	0.1441
		18928		16/10/15	(3000)	15928	0.1213
		15928		23/10/15	(2500)	13428	0.1022
		13428		30/10/15	(4500)	8928	0.0680
		8928		06/11/15	(1019)	7909	0.0602
		7909		13/11/15	(3000)	4909	0.0374
		4909		18/12/15	(500)	4409	0.0336
		4409		25/12/15	(2000)	2409	0.0183
4.	Aparna Gupta	91621	0.6976	—	0	91621	0.6976
5.	Girdhar Fiscal Services Pvt. Ltd.	77469	0.5898	27/11/15	(2500)	74969	0.5708
		74969		04/12/15	(5616)	69353	0.5280
		69353		11/12/15	(1050)	68303	0.5200
		68303		25/12/15	(2700)	65603	0.4994
		65603		31/12/15	(1000)	64603	0.4918
		64603		08/01/16	(15191)	49412	0.3762
		49412		15/01/16	(4500)	44912	0.3419
		44912		05/02/16	(603)	44309	0.3372
6.	Kewal Kumar Vohra	69185	0.5268	—	0	69185	0.5268
7.	Bhupendra P. Shah - HUF	105817	0.8057	07/08/15	(2500)	103317	0.7866
				30/10/15	(1236)	102081	0.7772
				08/01/16	(281)	101800	0.7751
				22/01/16	(1069)	100731	0.7670
				29/01/16	(500)	100231	0.7631

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year - 01/04/2015		Date wise increase/ (decrease) in shareholding during the year		Shareholding at the end of the year - 31/03/2016	
		No. of shares	% of total shares of the company	Date of Transaction	No. of shares	No. of shares	% of total shares of the company
8.	Shruti Kandelwal	70637	0.5378	—	0	70637	0.5378
9.	Musaddilal Rawat	53359	0.4063	—	0	53359	0.4063
10.	Musaddilal Rawat	48320	0.3679	—	0	48320	0.3679
11.	Mahesh Dinkar Vaze	0	0.0000	17/04/15	20000	20000	0.1523
				01/05/15	30000	50000	0.3807
				08/05/15	25000	75000	0.5710
				15/05/15	10000	85000	0.6472
				22/05/15	10000	95000	0.7233
				29/05/15	5000	100000	0.7614
				04/03/16	(20000)	80000	0.6091

(v) Shareholding of Directors & KMP

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year - 01/04/2015		Shareholding at the end of the year - 31/03/2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mofatraj Pukharaj Munot	664371	5.06	664371	5.06
2.	Suresh Gandhi	65436	0.50	65436	0.50
3.	K. R. Viswanathan	140	0.00	140	0.00

V. INDEBTEDNESS:

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

The Company has not availed any loan (Secured/Un-secured) during the year and hence the particulars are not stated.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of Managing Director
		Mr. Robin Banerjee
		Rs. Lakhs
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	106.50
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0.00
2.	Stock Option	0.00
3.	Sweat Equity	0.00
4.	Commission – as % of Profit – other, specify	0.00
5.	Other, please specify: Contribution to Provident Fund & other funds.	7.92
	Total (A)	114.42
	Ceiling as per the Act	Refer Note 24(7(f)) of Notes on Financial Statements.

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall basis.

B. Remuneration of other Directors:

I. Independent Directors

Name of the Directors	Particulars of Remuneration (Rs. in Lakhs)			
	Fees for attending Board/ Committee Meetings	Commission	Others	Total Amount
Mr. Bhounick S. Vaidya	2.60	0.00	0.00	2.60
Mr. K. V. Mani	0.40	0.00	0.00	0.40
Ms. Anjali Seth	0.40	0.00	0.00	0.40
Mr. Siddharth S. Shetye	2.00	0.00	0.00	2.00
Mr. Nitin K. Joshi	1.40	0.00	0.00	1.40
Total (1)	6.80	0.00	0.00	6.80

II. Other Non-Executive Directors

Name of the Directors	Particulars of Remuneration (Rs. in Lakhs)			
	Fees for attending Board/ Committee Meetings	Commission	Others	Total Amount
Mr. Mofatraj P. Munot	0.60	0.00	0.00	0.60
Mr. Mohan H. Bhandari	1.00	0.00	0.00	1.00
Mr. Suresh A. Gandhi	1.20	0.00	0.00	1.20
Total (2)	2.80	0.00	0.00	2.80
Total B = (1+2)	9.60	0.00	0.00	9.60
Ceiling as per the Act	9.60	0.00	0.00	9.60

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		CFO & Company Secretary
		(Rs. in Lakhs)
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	28.33
	(b) Value of perquisites u/s. 17(2) Income Tax Act, 1961	0.34
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission – as % of Profit – other, specify	
5.	Other, please specify Provident Fund & other funds Performance Bonus	2.13
	Total (c)	30.80

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall basis. Further, salary for year ended March 31, 2016 excludes accrued leave salary paid of Rs. 10.63 lakhs.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (UNDER COMPANIES ACT): NONE

Financial Position at a Glance

(Rupees in lakhs)

	31.03.2007	31.03.2008	31.03.2009	31.03.2010	31.03.2011	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016
WE OWNED										
Fixed Assests	3466.98	3360.94	3022.04	2659.35	2393.20	2098.18	1968.46	1726.49	1613.42	1765.98
Investments	200.00	201.37	—	—	—	—	—	—	—	—
Inventories	2761.93	2838.85	2380.61	2155.76	3071.15	2961.88	2788.41	3666.79	2749.63	3769.20
Receivables	3902.23	4118.37	4571.11	4747.07	5349.16	5263.05	6303.34	5736.25	6061.60	5259.73
Liquid Funds	1265.70	1023.27	2324.11	2375.67	1178.86	1226.73	1747.69	2076.38	3106.04	3766.88
Advances	632.43	584.29	332.44	541.37	876.40	1519.72	1223.45	1302.00	1531.27	1784.85
	12229.27	12127.09	12630.31	12479.22	12868.77	13069.56	14031.35	14507.91	15061.96	16346.64
WE OWED										
Institutional Loans	—	—	—	—	—	—	—	—	—	—
Other Loans	—	—	—	—	—	—	—	—	—	—
Payable & Provisions	3059.11	2942.80	3276.75	2865.90	2908.42	2636.35	3224.04	3405.68	3518.29	4387.30
Dividends	153.67	153.67	230.49	382.88	228.97	228.97	230.49	230.49	237.12	237.12
	3212.78	3096.47	3507.24	3248.78	3137.39	2865.32	3454.53	3636.17	3755.41	4624.42
NET WORTH										
Share Capital	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40
Reserves & Surplus	7703.09	7717.22	7809.67	7917.04	8417.98	8890.84	9263.42	9558.34	9993.15	10408.82
	9016.49	9030.62	9123.07	9230.44	9731.38	10204.24	10576.82	10871.74	11306.55	11722.22
	12229.27	12127.09	12630.31	12479.22	12868.77	13069.56	14031.35	14507.91	15061.96	16346.64
What We Earned and Spent										
EARNINGS	14609.73	14642.02	17022.36	18184.97	20842.52	21467.00	24518.59	27210.58	27612.55	26765.46
OUTGOINGS:										
Materials	8466.85	8910.59	10745.76	11116.48	13176.48	13411.17	15252.57	17532.01	17245.08	15618.33
Excise	1746.87	1792.23	1560.20	1141.88	1596.20	1617.75	2145.41	2373.96	2437.76	2343.68
Expenses	3274.96	3231.13	3797.51	4250.63	4583.75	5032.86	5737.42	6140.94	6497.81	6718.95
Depreciation	301.67	418.27	418.95	383.73	366.18	349.39	420.12	353.26	344.67	352.68
Trf. from revaluation reserve	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)	(76.00)	0.00	0.00	0.00
	13778.35	14340.22	16510.42	16880.72	19710.61	20399.17	23479.52	26400.17	26525.32	25033.64
Profit before extraordinary items & tax	831.38	301.80	511.94	1304.25	1131.91	1067.83	1039.07	810.41	1087.23	1731.82
Extraordinary income/(expense)	197.03	—	—	—	—	—	—	—	—	(682.03)
Tax Provision	353.00	122.00	177.00	802.00	390.00	354.00	360.00	285.00	382.00	397.00
Net Profit	675.41	179.80	334.94	502.25	741.91	713.83	679.07	525.41	705.23	652.79
Dividend & Tax	153.67	153.67	230.49	382.88	228.97	228.97	230.49	230.49	237.12	237.12
Balance	521.74	26.13	104.45	119.37	512.94	484.86	448.58	294.92	468.11	415.67

Independent Auditors' Report

TO THE MEMBERS OF
CAPRIHANS INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Caprihans India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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 stated 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 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 of 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 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.

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, issued by the Institute of Chartered Accountants of India, as 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 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 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 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, 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 1 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, 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 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 2 of this report.
 - (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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Place of Signature: Pune
Date: May 20, 2016

per Paul Alvares
Partner
Membership Number: 105754

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: Caprihans India Limited (the “Company”)

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii)
 - (a) According to the information and explanations given to us, we are of the opinion that the terms and conditions of loans granted by the company to a party covered in the register maintained under Section 189 of the Companies Act, 2013, having maximum balance of Rs. 417 lakhs (including interest of Rs. 17 lakhs) and year-end balance of such loans granted to such parties was Rs. 343.53 lakhs (including interest of Rs. 43.53 lakhs), are prejudicial to the company’s interest on account of the inability of the party to pay these amounts on the due dates as per the terms of the agreement.
 - (b) In respect of loan granted to a company covered in the register maintained under Section 189 of the Companies Act, 2013, the repayment of principal amount was not made as stipulated and payment of interest has not been regular.
 - (c) The Company has amounts aggregating to Rs. 134.10 lakhs (including interest of Rs. 34.10 lakhs) which are overdue for more than ninety days from a company covered in the register maintained under section 189 of the Companies Act, 2013 and in our opinion and according to the information and explanations given by the management, the Company has taken reasonable steps for recovery of the principal and interest.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted by the Company. Accordingly the provisions of Section 185 and 186 of the Companies Act, 2013 being not applicable to the Company, clause 3(iv) of the Order is not applicable to the Company and hence not commented upon.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, relating to the manufacture of PVC films and plastic extruded products, and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues wherever applicable to it. None of these dues were outstanding as at the year-end for a period of more than six months from the date they became payable. Also, refer Note 37 of the financial statements.
 - (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax, including interest	40.50	AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax, including interest	14.59	AY 2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax, including interest	54.52	AY 2007-08	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise duty	594.24	March 1990 to February 1994	CESTAT
Central Excise Act, 1944	Excise duty including penalty	185.14	July 1996 to October 1997	Currently remanded back by CESTAT to adjudicating authority i.e. Superintendent, Central Excise
Central Excise Act, 1944	Excise duty including penalty	24.09	June 1999 to March 2000	CESTAT
Central Excise Act, 1944	Excise duty including penalty	119.62	April 2004 to March 2005	CESTAT
Central Excise Act, 1944	Excise duty	5.17	April 2005 to June 2013	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	2.79	April 2007 to September 2008	Commissioner (Appeals)
Central Sales Tax Act, 1956	Sales tax, including interest	3.37	April 2008 to March 2009	Joint Commissioner of Sales Tax (Appeal)- II

- (viii) In our opinion and according to the information and explanations given by the management, the Company did not have any dues outstanding in the nature of loans to a financial institution or bank or to debenture holders or to government during the year. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 of the Companies Act, 2013 read with the general circular no. 07/2015 dated 10th April, 2015 issued by the Ministry of Corporate Affairs .
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards, except for transactions with Bilcare Limited aggregating Rs. 338.50 lakhs, where the recoveries are not as per stipulated terms.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, the Company has not entered into any non-cash transactions with directors or persons connected with them as specified under the provisions of Section 192 of the Companies Act, 2013; and accordingly the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the provisions of clause 3(xvi) are not applicable to the Company, and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Place of Signature: Pune
Date: May 20, 2016

per Paul Alvares
Partner
Membership Number: 105754

Annexure 2 to the Independent Auditors' Report of even date on the Standalone Financial Statements of Caprihans India Limited

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 Caprihans India Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

Auditor's 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the 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 the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place of Signature: Pune
Date: May 20, 2016

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754

BALANCE SHEET AS AT MARCH 31, 2016

	Note	Rs. in lakhs	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
(I) EQUITY AND LIABILITIES				
(1) Shareholder's funds				
(a) Share capital	3	1,313.40		1,313.40
(b) Reserves and surplus	4	10,408.82		9,993.15
			11,722.22	11,306.55
(2) Non-current liabilities				
(a) Other long term liabilities	5	81.04		49.04
(b) Long term provisions	6	193.99		206.43
			275.03	255.47
(3) Current liabilities				
(a) Trade payables	7			
Total outstanding dues of -				
(i) Micro and small enterprises		34.16		52.37
(ii) Others		3,537.84		2,868.27
(b) Other current liabilities	7	199.50		113.82
(c) Short term provisions	6	577.89		465.48
			4,349.39	3,499.94
TOTAL			16,346.64	15,061.96
(II) ASSETS				
(1) Non-current assets				
(a) Fixed assets	8			
(i) Tangible assets		1,533.55		1,508.84
(ii) Intangible assets		179.14		94.58
(iii) Capital work-in-progress		53.29		10.00
		1,765.98		1,613.42
(b) Long term loans and advances	9	172.99		364.02
(c) Other non-current assets	10	679.94		297.77
(d) Deferred tax assets (net)	11	329.15		115.15
			2,948.06	2,390.36
(2) Current assets				
(a) Inventories	12	3,769.20		2,749.63
(b) Trade receivables	13	5,259.73		6,061.60
(c) Cash and bank balances	14	3,766.88		3,106.04
(d) Short-term loans and advances	9	466.43		636.37
(e) Other current assets	10	136.34		117.96
			13,398.58	12,671.60
TOTAL			16,346.64	15,061.96
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & Co L L P

Chartered Accountants

ICAI Firm Registration No: 324982E / E300003

For and on behalf of the Board of Directors of Caprihans India Limited

per PAUL ALVARES
Partner
Membership No: 105754

Place : Pune
Date : May 20, 2016

ROBIN BANERJEE
Managing Director
DIN: 00008893

Place : Pune
Date : May 20, 2016

BHOUMICK S. VAIDYA
Director
DIN: 06543492

Place : Pune
Date : May 20, 2016

K. R. VISWANATHAN
CFO & Company Secretary
ACS Membership No: 5931

Place : Pune
Date : May 20, 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2016**

	Note	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
INCOME :			
Revenue from operations (gross)	15	26,236.98	27,716.55
Less : Excise duty		(2,343.68)	(2,437.76)
Revenue from operations (net)		23,893.30	25,278.79
Other income	16	509.05	347.59
Total Revenue		24,402.35	25,626.38
EXPENDITURE :			
Cost of raw materials consumed	17	15,618.33	17,245.08
Changes in inventories of finished goods, work-in-progress and scrap	18	(19.43)	451.59
Employee benefits expense	19	2,155.76	2,035.56
Finance costs	20	75.18	31.96
Depreciation and amortisation expenses	21	352.68	344.67
Other expenses	22	4,488.01	4,430.29
Total expenses		22,670.53	24,539.15
Profit before exceptional items and tax		1,731.82	1,087.23
Exceptional items	23	682.03	—
Tax expense			
– Current tax		611.00	470.00
– Deferred tax credit		(122.50)	(88.00)
– Deferred tax credit relating to earlier periods		(91.50)	—
Total tax expense		397.00	382.00
Profit for the year		652.79	705.23
Earnings per equity share (basic/diluted) [nominal value of share Rs. 10 (March 31, 2015: Rs. 10 each)] in Rs.		4.97	5.37
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & Co L L P

Chartered Accountants

ICAI Firm Registration No: 324982E / E300003

For and on behalf of the Board of Directors of Caprihans India Limited

per PAUL ALVARES
Partner
Membership No: 105754
Place : Pune
Date : May 20, 2016

ROBIN BANERJEE
Managing Director
DIN: 00008893
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Date : May 20, 2016

K. R. VISWANATHAN
CFO & Company Secretary
ACS Membership No: 5931
Place : Pune
Date : May 20, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Note	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before exceptional items and tax		1,731.82	1,087.23
Adjustments to reconcile profit before tax to net cash flows :			
Depreciation and amortisation expense		352.68	344.67
Loss on fixed assets sold/scrapped (net)		0.02	0.27
Finance charges		75.18	31.96
Interest income		(318.70)	(275.33)
Provision for doubtful debts and advances		(10.52)	(17.58)
Operating profit before working capital changes		1,830.48	1,171.22
Movements in working capital :			
Increase/(decrease) in trade payables		651.37	248.92
Increase/(decrease) in provisions		99.98	77.14
Increase/(decrease) in other current liabilities		117.67	(193.30)
(Increase)/decrease in trade receivables		473.90	(307.76)
(Increase)/decrease in inventories		(1,019.57)	917.16
(Increase)/decrease in loans and advances		9.90	84.42
(Increase)/decrease in other current assets		(400.55)	(162.54)
CASH GENERATED FROM OPERATIONS		1,763.18	1,835.26
Direct taxes paid (net of refunds)		(611.00)	(470.00)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		1,152.18	1,365.26
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible and intangible assets, capital work in progress and capital advances		(497.75)	(298.60)
Sale of fixed assets		0.02	0.12
(Placement)/redemption of bank deposits having maturity more than three months (net)		(1,267.12)	(356.06)
Interest income received		318.70	275.33
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)		(1,446.15)	(379.21)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(237.12)	(230.49)
Finance charges		(75.18)	(31.96)
NET CASH FLOW USED IN FINANCING ACTIVITIES (C)		(312.30)	(262.45)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS (A + B + C)		(606.27)	723.60
CASH & CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		1,517.99	794.39
CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR		911.72	1,517.99

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & Co L L P

Chartered Accountants

ICAI Firm Registration No: 324982E / E300003

For and on behalf of the Board of Directors of Caprihans India Limited

per PAUL ALVARES
Partner
Membership No: 105754
Place : Pune
Date : May 20, 2016

ROBIN BANERJEE
Managing Director
DIN: 00008893
Place : Pune
Date : May 20, 2016

BHOUMICK S. VAIDYA
Director
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Place : Pune
Date : May 20, 2016

K. R. VISWANATHAN
CFO & Company Secretary
ACS Membership No: 5931
Place : Pune
Date : May 20, 2016

NOTES TO FINANCIAL STATEMENTS

1 Corporate information

Caprihans India Limited (the Company) is a public company domiciled in India. Its shares are listed with Bombay Stock Exchange, in India. The Company is engaged in the manufacturing and selling of Rigid and Flexible PVC Films, PVDC coated Films and Plastic Extruded products. The Company caters to both domestic and international markets.

2 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 prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

Summary of significant accounting policies

(a) Change in accounting policy

Component Accounting

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013, from 1 April, 2015. The Company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/depreciation rate was used to depreciate each item of fixed assets.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April, 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April, 2015, is depreciated over their remaining useful lives.

There is no impact to the statement of profit and loss for the current year due to identifying components for fixed assets. Further, on the date of component accounting becoming applicable, i.e. April 1, 2015, there was no component having zero remaining useful life. Hence, no amount has been directly adjusted against retained earnings.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(c) Fixed Assets

Fixed assets, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Fixed assets held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

(d) Depreciation on fixed assets

Leasehold land is amortized on a straight-line basis over the period of lease i.e. 95 - 99 years.

Depreciation on fixed assets is calculated as per Schedule II of the Companies Act, 2013 on a straight-line/written down value basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The Company has used the following rates of depreciation on its fixed assets.

	Useful lives estimated by the management (years)	Useful life as per Schedule II (years)
Factory buildings	30	30
Other buildings	60	60
Plant and equipments	10 – 15	10 – 15
Furniture and fixtures	10	10
Office equipment	5	5
Computers	3 – 6	3 – 6
Vehicles	8	8

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over their estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

	Useful life
Intangible assets	5 years

(f) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(g) Impairment of fixed assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and risks specific to the asset. In determining the net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(h) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

(i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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.

(j) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, based on the terms of agreement with buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

(l) Foreign currency translation

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Exchange differences on such contracts, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund and superannuation schemes as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. The actuarial valuation is carried out using the projected unit credit method and are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961*, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Segment reporting

(i) Identification of segments

The Company's operations comprise of only one segment, i.e. plastics and polymers. In view of the same, separate primary business segmental information is not required to be disclosed as per the requirement of Accounting Standard 17. The Company's secondary segments are based on the geographic distribution of activities, i.e. sales within India and sales outside India. Revenue and receivables are specified by location of customers.

(ii) Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(p) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with maturity of three months or less.

NOTES TO FINANCIAL STATEMENTS

3. SHARE CAPITAL

Authorised shares:

2,00,00,000 (March 31, 2015; 2,00,00,000) equity shares of Rs. 10 each

Issued, subscribed and fully paid-up shares:

1,31,33,971 (March 31, 2015; 1,31,33,971) equity shares of Rs. 10 each

Total issued, subscribed and fully paid-up capital

March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
2,000.00	2,000.00
1,313.40	1,313.40
1,313.40	1,313.40

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2016		March 31, 2015	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
Equity Shares				
At the beginning of the period	1,31,33,971	1,313.40	1,31,33,971	1,313.40
Issued during the period	—	—	—	—
Outstanding at the end of the period	1,31,33,971	1,313.40	1,31,33,971	1,313.40

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. 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 of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as below:

	March 31, 2016 No. of shares	March 31, 2015 No. of shares
Name of the shareholder		
Equity shares of Rs. 10 each fully paid		
Bilcare Research GmbH	66,98,325	66,98,325

(d) Details of shareholders holding more than 5% shares in the Company

	March 31, 2016		March 31, 2015	
	No. of shares	% holding	No. of shares	% holding
Name of the shareholder				
Equity shares of Rs. 10 each fully paid				
Bilcare Research GmbH	66,98,325	51.00	66,98,325	51.00
K. C. Holdings Pvt Ltd	12,42,609	9.46	12,42,609	9.46
Mofatraj P. Munot	6,64,371	5.06	6,64,371	5.06

NOTES TO FINANCIAL STATEMENTS

(e) Proposed Dividend on equity shares

The Board proposed dividend on equity shares after the Balance sheet date

Proposed dividend on equity shares for the year ended March 31, 2016; Rs. 1.50 Per share (March 31, 2015; Rs. 1.50 per share)

Dividend distribution tax on proposed dividend

March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
197.01	197.01
40.11	40.11
<u>237.12</u>	<u>237.12</u>

4. RESERVES AND SURPLUS

	March 31, 2016 Rs. in lakhs	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Capital reserve		21.20	21.20
Securities premium account		6,497.27	6,497.27
General reserve			
Balance as per the last financial statements	430.00		380.00
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	<u>50.00</u>		<u>50.00</u>
Closing balance		480.00	430.00
Surplus in the Statement of Profit and Loss			
Balance as per the last financial statements	3,044.68		2,659.87
Less: Adjustment	<u>—</u>		<u>(33.30)</u>
	3,044.68		2,626.57
Add: Profit for the year	<u>652.79</u>		<u>705.23</u>
	3,697.47		3,331.80
Less: Appropriations:			
Proposed dividend @ Rs. 1.50 per share (Previous year Rs. 1.50)	197.01		197.01
Tax on proposed equity dividend	40.11		40.11
Transfer to general reserve	<u>50.00</u>		<u>50.00</u>
Total appropriations	287.12		287.12
Net surplus in the statement of profit and loss		3,410.35	3,044.68
Total reserves and surplus		<u>10,408.82</u>	<u>9,993.15</u>

5. OTHER LONG TERM LIABILITIES

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Deposits from Customers and others (Interest free)	81.04	49.04
	<u>81.04</u>	<u>49.04</u>

NOTES TO FINANCIAL STATEMENTS

6. PROVISIONS

	Long Term		Short Term	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Provision for employee benefits				
Provision for gratuity	—	—	39.73	5.13
Provision for leave benefits	193.99	206.43	64.22	58.11
	<u>193.99</u>	<u>206.43</u>	<u>103.95</u>	<u>63.24</u>
Other provisions				
Provision for taxation	—	—	236.82	165.12
(Net of advance tax Rs. 2194.04 lakhs (March 31, 2015: Rs. 2028.52 lakhs))				
Proposed equity dividend	—	—	197.01	197.01
Provision for tax on proposed equity dividend	—	—	40.11	40.11
	<u>—</u>	<u>—</u>	<u>473.94</u>	<u>402.24</u>
	<u>193.99</u>	<u>206.43</u>	<u>577.89</u>	<u>465.48</u>

7. CURRENT LIABILITIES

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 31)	34.16	52.37
(ii) total outstanding dues of other creditors	3,537.84	2,868.27
	<u>3,572.00</u>	<u>2,920.64</u>
Other current liabilities		
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	15.98	15.16
Others		
Advance received from customers	25.69	26.37
Advance received from others	25.00	—
TDS payable	28.62	10.53
Sales tax payable	72.83	49.11
Other statutory liabilities	21.22	12.65
Marked-to-market losses on forward contracts	10.16	—
	<u>199.50</u>	<u>113.82</u>

NOTES TO FINANCIAL STATEMENTS

8. SCHEDULE OF FIXED ASSETS AS AT MARCH 31, 2016

Rs. in lakhs

Tangible Assets	Land	Building	Plant & Machinery	Furniture & fixtures	Office equipment	Vehicles	Total Tangible Assets
Gross Block (at cost)							
At April 1, 2014	4.30	1,363.20	5,182.26	47.67	210.66	58.46	6,866.55
Additions	—	—	132.47	12.65	36.42	—	181.54
Disposals/discarded	—	—	7.52	1.47	44.61	—	53.60
At March 31, 2015	4.30	1,363.20	5,307.21	58.85	202.47	58.46	6,994.49
Additions	—	—	254.30	16.91	61.57	—	332.78
Disposals/discarded	—	—	—	0.37	2.94	—	3.31
At March 31, 2016 (A)	4.30	1,363.20	5,561.51	75.39	261.10	58.46	7,323.96
Depreciation							
At April 1, 2014	1.97	960.15	3,976.89	41.55	177.03	31.70	5,189.29
Additions	0.05	26.93	261.10	6.26	46.05	9.18	349.57
Disposals/discarded	—	—	7.34	1.30	44.57	—	53.21
At March 31, 2015	2.02	987.08	4,230.65	46.51	178.51	40.88	5,485.65
Additions	0.04	42.62	222.17	6.90	30.76	5.53	308.02
Disposals/discarded	—	—	—	0.37	2.89	—	3.26
At March 31, 2016 (B)	2.06	1,029.70	4,452.82	53.04	206.38	46.41	5,790.41
Net Tangible Assets at March 31, 2016 (A-B)	2.24	333.50	1,108.69	22.35	54.72	12.05	1,533.55
<i>Net Tangible assets at March 31, 2015</i>	2.28	376.12	1,076.56	12.34	23.96	17.58	1,508.84

	March 31, 2016 Rs in lakhs	March 31, 2015 Rs in lakhs
Building includes those constructed on leasehold land:		
Gross block as on April 1, 2015	768.13	768.13
Depreciation charge for the year	32.20	16.00
Accumulated depreciation	647.93	615.73
Net book value as on March 31, 2016	120.20	152.40

NOTES TO FINANCIAL STATEMENTS

8. SCHEDULE OF FIXED ASSETS AS AT MARCH 31, 2016 (Contd.)

	March 31, 2016 Rs in lakhs	March 31, 2015 Rs in lakhs
Building includes property held for sale:		
Gross block as on April 1, 2015	32.50	—
Depreciation charge for the year	0.44	—
Accumulated depreciation	21.14	—
Impairment loss	—	—
Net book value as on March 31, 2016	11.36	—

Intangible Assets	Computer software	Total Intangible Assets
At Cost		
At April 1, 2014	203.38	203.38
Additions	94.89	94.89
Disposals/discarded	—	—
At March 31, 2015	298.27	298.27
Additions	129.22	129.22
Disposals/discarded	—	—
At March 31, 2016 (A)	427.49	427.49
Depreciation		
At April 1, 2014	158.14	158.14
Additions	45.55	45.55
Disposals/discarded	—	—
At March 31, 2015	203.69	203.69
Additions	44.66	44.66
Disposals/discarded	—	—
At March 31, 2016 (B)	248.35	248.35
Net Intangible assets at March 31, 2016 (A-B)	179.14	179.14
<i>Net Intangible assets at March 31, 2015</i>	<i>94.58</i>	<i>94.58</i>

Capital Work in progress total (as at March 31, 2016)

53.29

Capital Work in progress total (as at March 31, 2015)

10.00

NOTES TO FINANCIAL STATEMENTS

9. LOANS AND ADVANCES

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Capital advances				
Unsecured considered good	10.05	17.60	—	—
Security deposit				
Unsecured considered good	158.55	189.95	—	—
Loans and advances to related parties				
Unsecured considered good	—	150.00	300.00	250.00
Less: Provision for doubtful loans and advances	—	—	(300.00)	—
Advances recoverable in cash or kind				
Unsecured considered good	—	—	223.25	126.08
Less: Provision for doubtful advances	—	—	(43.53)	—
Other loans and advances considered good				
Prepaid expenses	0.86	2.52	20.68	21.01
Loans and advances to employees	3.53	3.95	8.52	10.26
Balance with excise authorities	—	—	257.51	229.02
	172.99	364.02	466.43	636.37

10. OTHER ASSETS

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Interest accrued on fixed deposits	9.20	3.10	82.35	90.76
Interest accrued on intercorporate deposits	—	—	43.53	17.06
Interest accrued on other deposits	—	—	10.46	10.14
Non-current bank balances	425.00	48.93	—	—
<u>Receivable from related parties -</u>				
Receivable in respect of non-core activities (net) (refer note below)	245.74	245.74	—	—
	679.94	297.77	136.34	117.96

Note - Receivable in respect of non-core activities

In terms of the agreement with Kalpataru Ltd (KL) (formerly known as Kalpataru Homes Ltd) for disposal of assets of the activities identified as non-core (referred to as non-core assets) the Company is yet to realise an amount of Rs. 245.74 lakhs. The delay in the realisation is on account of the pendency of arbitration proceedings. As the realisation of this amount is underwritten by KL, the management is confident of full recovery of non-core dues in due course. Further the Company has received interest income of Rs. 14.74 lakhs (Previous year Rs. 14.70 lakhs) from KL on account of delay in realisation.

NOTES TO FINANCIAL STATEMENTS

11. DEFERRED TAX ASSETS (NET)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Deferred tax liability		
Fixed assets:		
Impact of difference between tax depreciation and depreciation/ amortization charged	96.69	122.78
Gross Deferred tax liability	96.69	122.78
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	220.20	186.68
Provision for doubtful debts and advances	205.64	51.25
Gross deferred tax assets	425.84	237.93
Net deferred tax assets	329.15	115.15

12. INVENTORIES (valued at lower of cost and net realisable value)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Raw materials	1,521.77	1,071.77
Raw materials in transit	1,210.03	657.80
Finished goods	785.20	663.53
Work in progress	92.37	165.44
Stores and spares	68.65	78.00
Packing materials and fuel	46.80	39.54
Scrap	44.38	73.55
	3,769.20	2,749.63

13. TRADE RECEIVABLES

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Current		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	136.38	107.99
Doubtful	323.81	353.94
	460.19	461.93
Less: Provision for doubtful receivables	(323.81)	(353.94)
	136.38	107.99
Other receivables		
Unsecured, considered good	5,123.35	5,953.61
Doubtful	358.10	—
	5,481.45	5,953.61
Less: Provision for doubtful receivables	(358.10)	—
	5,123.35	5,953.61
	5,259.73	6,061.60

NOTES TO FINANCIAL STATEMENTS

14. CASH AND BANK BALANCES

	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Cash and cash equivalents				
Balance with banks:				
– on current account	—	—	316.82	551.96
– Deposits with original maturity less than three months	—	—	550.00	910.41
– on unpaid dividend account	—	—	15.98	15.16
Remittances in transit	—	—	25.14	35.98
Cash on hand	—	—	3.78	4.48
	<u>—</u>	<u>—</u>	<u>911.72</u>	<u>1,517.99</u>
Other bank balances				
– Deposits with remaining maturity for more than twelve months	250.00	48.93	—	—
– Deposits with remaining maturity for less than twelve months	—	—	2,280.93	1,441.97
– Margin money deposits	175.00	—	574.23	146.08
	<u>425.00</u>	<u>48.93</u>	<u>2,855.16</u>	<u>1,588.05</u>
Less: Amount disclosed under non-current assets	(425.00)	(48.93)	—	—
	<u>—</u>	<u>—</u>	<u>3,766.88</u>	<u>3,106.04</u>

15. REVENUE FROM OPERATIONS

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Sale of products		
Finished goods - Polymer products	25,869.02	27,342.25
Other operating revenues		
Scrap sales	317.16	330.98
Other sales	50.80	43.32
Revenue from operation (gross)	<u>26,236.98</u>	<u>27,716.55</u>
Less: Excise Duty#	<u>2,343.68</u>	<u>2,437.76</u>
Revenue from operation (net)	<u>23,893.30</u>	<u>25,278.79</u>

Excise duty on sales amounting to Rs. 2343.68 lakhs (March 31, 2015: Rs. 2437.76 lakhs) has been reduced from sales in the statement of profit & loss and excise duty on increase/decrease in stock amounting to (-) Rs. 33.43 lakhs, (March 31, 2015: Rs.(-) 44.75 lakhs) has been considered as (income)/expense in note 22.

NOTES TO FINANCIAL STATEMENTS

16. OTHER INCOME

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Interest Income on		
Bank deposits	247.36	182.21
Others	71.35	93.12
Rent received	23.81	24.73
Miscellaneous income	103.91	27.38
Exchange gain (net)	62.62	20.15
	<u>509.05</u>	<u>347.59</u>

17. COST OF RAW MATERIALS CONSUMED

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Inventory at the beginning of the year	1,071.77	1,453.25
Add: Purchases	16,068.33	16,863.60
	<u>17,140.10</u>	<u>18,316.85</u>
Less: Inventory at the end of the year	(1,521.77)	(1,071.77)
	<u>15,618.33</u>	<u>17,245.08</u>

Details of raw material and components consumed

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Resins	9,936.35	10,804.37
Plasticizers	796.61	997.26
Polypropylene	502.18	634.34
Others	4,383.19	4,809.11
	<u>15,618.33</u>	<u>17,245.08</u>

18. (INCREASE)/DECREASE IN INVENTORIES

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs	(Increase)/Decrease Rs. in lakhs
Inventories at the end of the year			
Finished goods	785.20	663.53	(121.67)
Work-in-progress	92.37	165.44	73.07
Scrap	44.38	73.55	29.17
	<u>921.95</u>	<u>902.52</u>	<u>(19.43)</u>
Inventories at the beginning of the year			
Finished goods	663.53	955.10	291.57
Work-in-progress	165.44	338.79	173.35
Scrap	73.55	60.22	(13.33)
	<u>902.52</u>	<u>1,354.11</u>	<u>451.59</u>
	<u>(19.43)</u>	<u>451.59</u>	

NOTES TO FINANCIAL STATEMENTS

19. EMPLOYEE BENEFIT EXPENSES

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Salaries, wages and bonus	1,883.18	1,816.93
Contribution to provident and other funds	105.02	100.47
Gratuity expense (refer note 25)	39.73	5.13
Staff welfare expenses	127.83	113.03
	<u>2,155.76</u>	<u>2,035.56</u>

20. FINANCE COSTS

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Interest costs	0.27	0.30
Interest on income tax	14.00	—
Bank charges	60.91	31.66
	<u>75.18</u>	<u>31.96</u>

21. DEPRECIATION AND AMORTISATION EXPENSES

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Depreciation of tangible assets	308.02	305.17
Amortisation of intangible assets	44.66	39.50
	<u>352.68</u>	<u>344.67</u>

22. OTHER EXPENSES

	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs
Consumption of stores and spares	182.58	191.17
Consumption of packing materials	579.78	588.49
Sub-contracting expenses	85.38	102.54
(Increase)/decrease of excise duty on inventory	(33.43)	(44.75)
Power, fuel and water charges	1,775.82	1,897.02
Freight and forwarding charges	876.66	810.65
Rent	32.97	30.03
Rates and taxes	5.95	6.11
Insurance	19.43	17.49
Repairs and maintenance		
Plant and machinery	90.09	69.60
Buildings	53.29	63.02
Others	23.34	16.43
CSR expenditure (refer note A below)	13.80	1.99
Sales Commission	162.94	146.38
Travelling and conveyance	155.13	117.64
Communication costs	37.86	32.04
Printing and stationery	30.10	25.92

NOTES TO FINANCIAL STATEMENTS

22. OTHER EXPENSES (Contd.)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Advertising and sales promotion expenses	16.59	8.43
Legal and professional fees	117.26	119.27
Directors' sitting fees	9.60	10.00
Payment to auditor (refer note B below)	19.47	11.95
Bad debts/advances written off	11.76	16.15
Provision for doubtful debts and advances	(10.52)	(17.58)
Loss on sale of fixed assets (net)	0.02	0.27
Expenses/(reimbursements) relating to non-core activities	(9.15)	22.75
(Reimbursement) of expenses/refund relating to non-core activities (by)/to Kalpataru Ltd.	9.15	(22.75)
Miscellaneous expenses	232.14	210.03
	<u>4,488.01</u>	<u>4,430.29</u>

Note (A) – Details of CSR expenditure

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
(a) Gross amount required to be spent by the Company during the year	19.58	19.45

(b) Amount spent during the year ending on 31st March, 2016:

	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	—	—	—
ii) On purposes other than (i) above	13.80	—	13.80

(c) Amount spent during the year ending on 31st March, 2015:

	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	—	—	—
ii) On purposes other than (i) above	—	1.99	1.99

Note (B) – Payment to Auditors

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
As auditor:		
Audit fee	14.00	9.00
Limited review & other services	4.50	2.00
Reimbursement of expenses	0.97	0.95
	<u>19.47</u>	<u>11.95</u>

NOTES TO FINANCIAL STATEMENTS

23. EXCEPTIONAL ITEMS (Refer Note below)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Provision for bad and doubtful debts – Receivables	338.50	—
Provision for bad and doubtful advances – Deposits	300.00	—
Provision for bad and doubtful advances – Interest receivables	43.53	—
	682.03	—

Note: The Company has receivable from Bilcare Limited of Rs. 682.03 lakhs as of March 31, 2016 of which Rs. 338.50 lakhs pertain to receivables for supplies made, Rs. 300 lakhs pertain to Inter-corporate deposits and Rs. 43.53 lakhs pertain to Interest on inter-corporate deposits. The Company has made a provision for doubtful debts & advances for the total amount out of abundant precaution. Further, the Company has been informed by Bilcare Limited that they are undertaking restructuring of their debts and are hopeful of settling the dues.

24. EARNINGS PER EQUITY SHARE (EPS) AS PER AS 20

The following reflects the profit and share data used in the basic and diluted EPS computations:

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Total operations for the year		
(i) Net Profit after tax available for equity shareholders (Rs. in lakhs)	652.79	705.23
(ii) No. of equity shares	13,133,971	13,133,971
(iii) Basic & Diluted earnings per share (face value of Rs. 10 each) in Rs.	4.97	5.37

25. EMPLOYEE BENEFIT EXPENSES AS PER AS 15:

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
(A) Contribution to Defined Contribution Plan recognised in the Statement of Profit and Loss are as under:		
(i) Employer's contribution to Provident/Pension Fund	82.61	79.35
(ii) Employer's contribution to Superannuation Fund	6.27	5.53

(B) Gratuity and other employment benefits:

- The Company operates a defined benefit plan for gratuity. Under the plan every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policies.
- The Company provides compensation for accumulated leaves to its employees restricted to a pre-defined limit. Every employee is eligible to encash his accumulated leaves at the rate of his last drawn gross salary. The liability for leave encashment is unfunded.

NOTES TO FINANCIAL STATEMENTS

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
	Gratuity	Gratuity	Leave encashment	Leave encashment
(a) Reconciliation of opening and closing balances of obligation				
Present value of obligation as at the beginning of the year	525.74	472.82	264.54	203.97
Interest cost	42.15	36.60	21.21	15.17
Current service cost	28.74	34.56	31.04	25.17
Benefits paid	(44.10)	(30.74)	(76.33)	(28.57)
Actuarial (gain)/loss on obligation	(10.92)	12.50	17.76	48.80
Present value of obligation as at the end of the year	541.61	525.74	258.22	264.54
(b) Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of plan assets as at the beginning of the year	520.61	429.84	—	—
Expected return on plan assets	41.74	38.02	—	—
Contribution	5.13	42.98	—	—
Benefits paid	(44.10)	(30.74)	—	—
Actuarial gain/(loss) on plan assets	(21.50)	40.51	—	—
Fair value of plan assets as at the end of the year	501.88	520.61	—	—
(c) Reconciliation of fair value of assets and obligation				
Present value of obligation as at the end of the year	541.61	525.74	258.22	264.54
Fair value of Plan assets as at the end of the year	(501.88)	(520.61)	—	—
Amount recognised in the Balance sheet	39.73	5.13	258.22	264.54
The Company expects to contribute Rs. 39.73 lakhs to the gratuity fund in the next year (March 31, 2015 Rs. 5.13 lakhs)				
(d) Expense recognised during the year				
Current service cost	28.74	34.56	31.04	25.17
Interest cost	42.15	36.60	21.21	15.17
Expected return on plan assets	(41.74)	(38.02)	—	—
Actuarial (gain)/loss	10.58	(28.01)	17.76	48.80
Expenses recognised during the year	39.73	5.13	70.01	89.14

NOTES TO FINANCIAL STATEMENTS

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan. (Contd.)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
	Gratuity	Gratuity	Leave encashment	Leave encashment
(e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows				
Investment with insurer	100.00%	100.00%	—	—
(f) Actuarial assumptions (per annum)				
Discount rate	7.6%	8.0%	7.6%	8.0%
Expected return on plan assets	8.0%	8.0%	—	—
Salary escalation	8.0%	8.0%	8.0%	8.0%
Attrition rate	5.0%	5.0%	5.0%	5.0%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which obligation is to be settled.

(g) **Amounts for the current and previous four periods are as follows:**

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs	March 31, 2014 Rs. in lakhs	March 31, 2013 Rs. in lakhs	March 31, 2012 Rs. in lakhs
Gratuity					
Defined benefit obligation	541.61	525.74	472.82	443.79	412.93
Plan assets	501.88	520.61	429.84	423.22	389.36
Surplus/(deficit)	39.73	5.13	42.98	20.57	23.57
Experience adjustments on plan liabilities (gain)/loss	(24.59)	12.50	18.89	4.92	(4.14)
Experience adjustments on plan assets gain/(loss)	(21.50)	40.51	5.51	9.39	(4.10)

26. DISCLOSURE OF EXPENSES AS PER AS 19:

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Operating lease: company as lessee		
The Company has entered into various operating leases for offices and godowns. These leases have an average life between one and five years with renewal option included in the contracts. There are no restrictions placed upon the company by entering into these leases.		
Rental expenses for operating leases	32.97	29.93
	32.97	29.93

NOTES TO FINANCIAL STATEMENTS

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods are:

Not later than 1 year

Later than 1 year and not later than 5 year

More than 5 year

March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
4.10	3.91
2.10	6.20
<u>—</u>	<u>—</u>
6.20	10.11

27. RELATED PARTY DISCLOSURE AS PER AS 18:

A Names of related parties and related party relationship

Related parties where control exists

Holding company

- Bilcare Research GmbH
- Bilcare Germany MGM GmbH
- Films Germany Holding
- Bilcare Research AG
- Bilcare Research Holding AG
- Bilcare Mauritius Ltd

Ultimate holding company

- Bilcare Limited

B Related parties under AS 18 with whom transactions have taken place during the year

Holding company

- Bilcare Research GmbH (Holds 51% of the share capital of the Company)

Ultimate holding company

- Bilcare Limited

Fellow subsidiaries

- BIL Leasing GmbH (special purpose entity)

Associates of Indian promoters group

- Kalpataru Limited

Jointly controlled entity

- Nil

Key management personnel

(In terms of Section 203 of the Companies Act, 2013) (i) Mr. Robin Banerjee, Managing Director

(ii) Mr. K. R. Viswanathan, CFO & Company Secretary

Indian promoters

- Mr. Mofatraj P. Munot, his relatives, associates and associate companies (hold in aggregate over 20% of the share capital of the Company)

C Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

Enterprises in which a director holds along with his relatives, more than 2% of its paid-up share capital-

- (i) Mr. Mohan H. Bhandari, Director is the promoter director of Bilcare Limited
- (ii) Mr. Mofatraj P. Munot, Director is the executive chairman of Kalpataru Ltd.

NOTES TO FINANCIAL STATEMENTS

D Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a. Sale/purchase of goods and services

(Rs. in lakhs)

	Year ended	Sale of goods	Income from export of marketing services	Receipt of expenses incurred	Amount owed by related parties*	Dividend remitted
Holding and ultimate holding companies						
Bilcare Limited	31-Mar-16	878.14	—	—	338.50	—
<i>Bilcare Limited</i>	<i>31-Mar-15</i>	<i>0.35</i>	—	—	<i>156.35</i>	—
Bilcare Research AG	31-Mar-16	—	—	5.69	—	—
<i>Bilcare Research AG</i>	<i>31-Mar-15</i>	—	—	<i>1.24</i>	—	—
Bilcare Research GmbH	31-Mar-16	—	—	—	—	100.47
<i>Bilcare Research GmbH</i>	<i>31-Mar-15</i>	—	<i>18.90</i>	—	—	<i>100.47</i>

b. Sale/purchase of goods and services

(Rs. in lakhs)

	Year ended	Interest Income	(Refund)/Recovery of expenses relating to non-core activities
Associates of Indian promoters group			
Kalpataru Limited	31-Mar-16	14.74	(9.15)
<i>Kalpataru Limited</i>	<i>31-Mar-15</i>	<i>14.70</i>	<i>22.75</i>

c. Loans given and repayment thereof (Intercompany deposit)

(Rs. in lakhs)

	Year ended	Principal amount placed for working capital purposes	Interest income	Amount outstanding and due at year end	Amount outstanding and due at year end	Interest accrued and due as at year end	Interest accrued and not due as at year end
Ultimate holding company							
Bilcare Limited	31-Mar-16	—	44.78	150.00	150.00	40.94	2.59
<i>Bilcare Limited</i>	<i>31-Mar-15</i>	—	<i>65.55</i>	<i>50.00</i>	<i>350.00</i>	<i>14.94</i>	<i>4.02</i>

Inter-company deposits has been placed with Bilcare Limited for working capital purpose.

d. Remuneration to key managerial personnel, Managing Director

Mr. Robin Banerjee, Managing Director
Salary, allowances and other payments
Reimbursement of medical and leave travel expenses

March 31, 2016
Rs. in lakhs

102.60
3.90
106.50

March 31, 2015
Rs. in lakhs

102.60
3.90
106.50

Contribution to Provident and other funds

7.92

7.92

NOTES TO FINANCIAL STATEMENTS

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall Company basis.

Note: The Managerial remuneration paid to the Managing Director is in accordance with section 198 of the Companies Act, 2013 read with the Ministry of Corporate Affairs general circular No. 07/2015 dated 10th April, 2015.

e. Remuneration to key managerial personnel (other than Managing Director)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Mr. K.R. Viswanathan, CFO and Company Secretary.		
Salary, allowances and perquisites	28.67	24.31
Contribution to Provident and Other Funds	2.13	1.76
	30.80	26.07

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall company basis. Further, salary for year ended March 31, 2016 excludes accrued leave salary paid of Rs. 10.63 lakhs.

28. CAPITAL AND OTHER COMMITMENTS

- At 31 March, 2016, the Company has commitments of Rs. 90.93 lakhs for purchase of tangible and intangible assets (31 March, 2015: Rs. 219.02 lakhs).
- For commitments relating to leasing obligation, refer Note 26.

29. CONTINGENT LIABILITIES

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
(i) Demands of Excise authorities which are disputed in appeals by the Company	272.22	601.44
(ii) Appeals filed by Excise authorities in the Supreme Court of India/CESTAT against orders passed by CESTAT/Commissioner (Appeals) in favour of the Company	594.24	845.42
(iii) Other excise notices pending adjudication	217.25	211.68
(iv) Demands of Income tax authorities which are disputed in appeals and not provided for	—	400.00
(v) Claims against the Company not acknowledged as debts - estimated	423.25	412.49
	1,506.96	2,471.03

30. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPENDITURE

Derivatives outstanding as at the reporting date

Particulars	Year	Amount in foreign currency	Rs. in lakhs	Purpose
Forward contract to buy US\$	March 31, 2016	800,000	530.00	Hedge of highly probable
Forward contract to buy US\$	March 31, 2015	300,000	187.50	foreign currency purchases

NOTES TO FINANCIAL STATEMENTS

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Year	Amount in foreign currency	Rs. in lakhs
Import trade payable (US\$)	March 31, 2016	606,041	401.50
<i>Import trade payable (US\$)</i>	<i>March 31, 2015</i>	<i>439,643</i>	<i>274.78</i>
Export trade receivable (US\$)	March 31, 2016	593,386	393.06
<i>Export trade receivable (US\$)</i>	<i>March 31, 2015</i>	<i>886,658</i>	<i>554.16</i>
Export trade receivable (Euro)	March 31, 2016	48,572	36.61
<i>Export trade receivable (Euro)</i>	<i>March 31, 2015</i>	<i>3,821</i>	<i>2.57</i>
Export trade receivable (AED)	March 31, 2016	157	0.03
<i>Export trade receivable (AED)</i>	<i>March 31, 2015</i>	<i>227,312</i>	<i>38.60</i>

31. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	34.16	52.37
Interest due on above	0.02	—
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	2.21	—
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
(v) The amount of further 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	—	—

32. VALUE OF IMPORTS CALCULATED ON CIF BASIS

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Raw Materials	10,845.37	4,072.50
Spares	51.65	13.12
Capital Goods	66.50	—
	10,963.52	4,085.62

NOTES TO FINANCIAL STATEMENTS

33. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Travelling Expenses	7.36	0.56
Commission	53.80	73.77
Others	29.22	3.60
	<u>90.38</u>	<u>77.93</u>

34. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

	March 31, 2016		March 31, 2015	
	% of total consumption	Value Rs. in lakhs	% of total consumption	Value Rs. in lakhs
Raw Materials				
Imported	81.33	12,703.06	28.73	4,954.81
Indigenously obtained	18.67	2,915.27	71.27	12,290.27
	<u>100.00</u>	<u>15,618.33</u>	<u>100.00</u>	<u>17,245.08</u>
Spare parts				
Imported	42.78	78.11	8.01	15.31
Indigenously obtained	57.22	104.47	91.99	175.86
	<u>100.00</u>	<u>182.58</u>	<u>100.00</u>	<u>191.17</u>

35. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
Exports at F.O.B. Value	3,272.61	3,677.02
Exports of marketing services	—	18.90

36. SEGMENT REPORTING

	March 31, 2016 Rs. in lakhs	March 31, 2015 Rs. in lakhs
The Company has only one business segment i.e processing of plastic polymers as primary segment. The secondary segment is geographical which is given as under -		
(a) Revenue from operations		
Sale of products (net of excise duty)		
within India	23,052.12	23,984.96
outside India	3,184.86	3,731.59
	<u>26,236.98</u>	<u>27,716.55</u>

- (b) All the assets of the Company except Rs. 416.63 lakhs (Previous year Rs. 536.79 lakhs) are within India. All assets acquired during the year are within India.

NOTES TO FINANCIAL STATEMENTS

37. CURRENT LIABILITIES:

Current liabilities as at March 31, 2016 include certain old statutory dues amounting to Rs. 269 lakhs for which the Company is in the process of ascertaining the veracity of the liability, including obtaining a legal view. The consequential impacts would be determined and accounted for on completion of evaluation.

38. WORKING CAPITAL FACILITIES BY BANK

Bank of Maharashtra has sanctioned working capital facilities which are secured by hypothecation of stocks and book debts.

39. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped/reclassified, where necessary, to conform to current year's classification.

As per our report of even date

For S R B C & Co L L P

Chartered Accountants

ICAI Firm Registration No: 324982E / E300003

For and on behalf of the Board of Directors of Caprihans India Limited

per PAUL ALVARES

Partner

Membership No: 105754

Place : Pune

Date : May 20, 2016

ROBIN BANERJEE

Managing Director

DIN: 00008893

Place : Pune

Date : May 20, 2016

BHOUMICK S. VAIDYA

Director

DIN: 06543492

Place : Pune

Date : May 20, 2016

K. R. VISWANATHAN

CFO & Company Secretary

ACS Membership No: 5931

Place : Pune

Date : May 20, 2016

Our Products and their uses

1. SUNBLIS:

PVC Rigid film ideally suited for packaging of pharmaceutical products, food products and other specific products.

2. SUNDENE:

PVDC Coated PVC Film for high barrier requirements. Excellent material for packing hygroscopic pharmaceutical products.

3. SUNBLIS JEWEL:

Metallic blister films for pharma packaging.

4. SUNPLEX BILAM/TRILAM:

Multi-layer films with or without PVDC coating for pharma and food packaging.

5. SUNPLEX MPAC/LAMPAC:

Metallised films for pharma and food packaging

6. SUNVIC:

Rigid PVC films are used for a variety of specialised products like stationery, batteries, cards etc.

7. SUNFLEX:

Flexible PVC Sheeting produced in a wide range of colours, embossing designs and prints.

Uses: Tablecovers, raincoats, windcheaters, marine jackets, curtains, handbags, diary covers, folders and other stationery items, air balloons, anti static covers, cable and other industrial uses.

8. SUNPAC:

Flute Board.

Uses: For packaging, publicity, temporary shelters, partitions, light diffuser, panelling and advertising purposes.

Our Exports

The following are among the countries, we have been exporting to:

ALGERIA	GHANA	LEBANON	NIGERIA	TANZANIA
AUSTRALIA	ITALY	MADAGASCAR	SAUDI ARABIA	TUNISIA
BAHRAIN	IRAQ	MAURITIUS	SRI LANKA	UAE
BANGLADESH	JORDAN	MOROCCO	SUDAN	UGANDA
EGYPT	KENYA	NEPAL	SYRIA	YEMEN

Sundene

PVDC Coated Films

Sunblis

Rigid PVC Films

Sunplex

BILAM / TRILAM
Multi-layer Films

Sunplex

MPAC / LAMPAC
Metallised Films

Our Brands

Sunvic

Rigid PVC Speciality Films

Sunblis Jewel

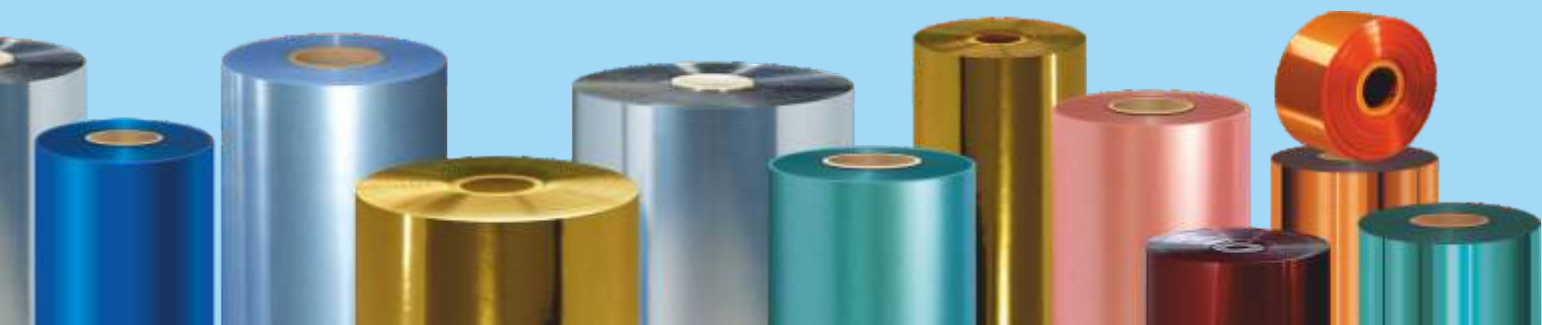
Metallic Blister Films

Sunpac

Flute Board

Sunflex

Flexible PVC Films





Quality Packaging Solutions



caprihans
INDIA LIMITED

Block D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018. INDIA.

Website : www.caprihansindia.com

CIN: L29150MH1946PLC004877