

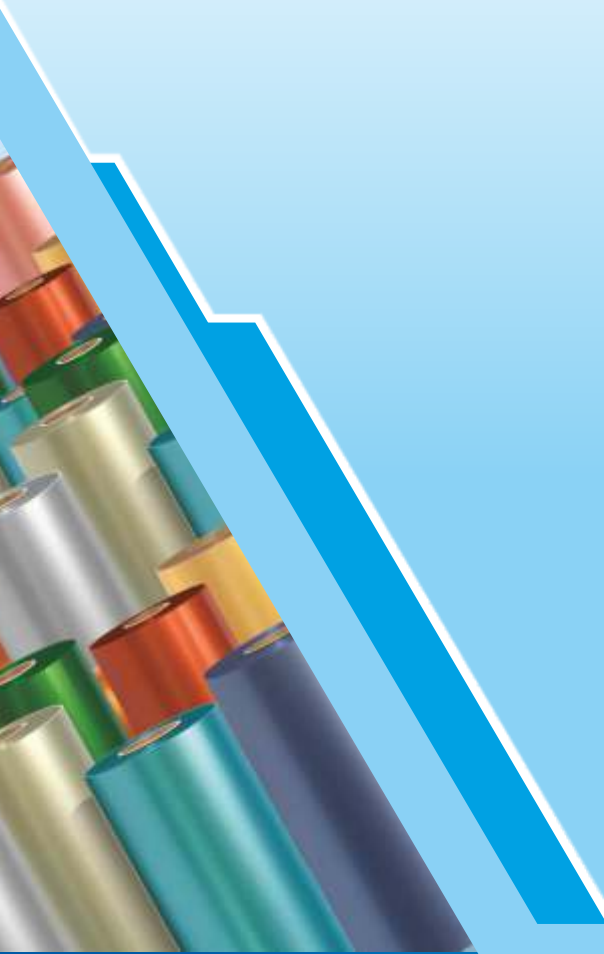
**caprihans**  
INDIA LIMITED

Quality packaging solutions....for decades

**70<sup>th</sup>**  
**Annual Report**  
**2015-2016**



Some of our wide range of product applications...



**BOARD OF DIRECTORS**

(as on 20<sup>th</sup> 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<br>31st March, 2016<br>(Rs. in Lakhs) | Year ended<br>31st March, 2015<br>(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:

- (a) 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.
- (b) 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. Bhoumick 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:**

|               | <b>Year ended<br/>31st March, 2016<br/>(Rs. in Lakhs)</b> |
|---------------|---|
| (a) Capital   | 20.15   |
| (b) Recurring | 62.16   |
| (c) Total     | 82.31   |

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to Exports : The exports of goods during the year amounted to Rs. 3273 Lakhs.
2. Total foreign exchange
  - (a) 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).
  - (b) 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<br>Non-Executive     | 2   | 1                            | —                        |
| Mr. Mohan H. Bhandari                  | Promoter<br>Non-Executive     | 2   | 2                            | —                        |
| Mr. Robin Banerjee (Managing Director) | Executive                     | 2   | —                            | 1                        |
| Mr. Suresh A. Gandhi                   | Non-Promoter<br>Non-Executive | —   | —                            | —                        |
| Mr. Bhoumick S. Vaidya                 | Independent<br>Non-Executive  | —   | —                            | —                        |
| Mr. K. V. Mani                         | Independent<br>Non-Executive  | 1   | —                            | 1                        |
| Ms. Anjali Seth                        | Independent<br>Non-Executive  | 5   | 2                            | —                        |
| Mr. Siddharth S. Shetye                | Independent<br>Non-Executive  | —   | —                            | —                        |
| Mr. Nitin K. Joshi                     | Independent<br>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:

| <b>Name of the Director</b> | <b>No. of Board Meetings attended</b> | <b>Attendance at the last AGM</b> |
|-----------------------------|---------------------------------------|-----------------------------------|
| Mr. Mofatraj P. Munot       | 3                                     | YES                               |
| Mr. Mohan H. Bhandari       | 5                                     | YES                               |
| Mr. Robin Banerjee          | 7                                     | YES                               |
| Mr. Suresh A. Gandhi        | 3                                     | YES                               |
| Mr. Bhoumick 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:**

| <b>Name of the Director</b> | <b>No. of Shares</b> |
|-----------------------------|----------------------|
| Mr. Mofatraj P. Munot       | 664371               |
| Mr. Mohan H. Bhandari       | —                    |
| Mr. Suresh A. Gandhi        | 65436                |
| Mr. Bhoumick 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. Bhoumick 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. Bhoumick 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. Bhoumick 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          |
|        | <b>TOTAL</b>                                     | <b>114.42</b> |

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<br>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                   |
| <b>Total</b>            | <b>9.60</b>            |

#### 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. 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 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 <a href="http://www.caprihansindia.com">www.caprihansindia.com</a> |
| Presentations made to institutional Investors or to the analysts | : | No   |
| Newspapers in which results are normally published in            | : | - The Free Press Journal (English)<br>- 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   |
| <b>2015</b> |                                     |           |            |       |
| 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 |
| <b>2016</b> |                                     |           |            |       |
| 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         |
| <b>TOTAL</b> | <b>9189</b>         | <b>100.00</b> | <b>13133971</b>    | <b>100.00</b> |

**Shareholding pattern as on 31st March, 2016**

| Sr. No. | Type of shareholders           | No. of shares held | % of Total    |
|---------|--------------------------------|--------------------|---------------|
| 1       | <b>Promoters</b>               |                    |               |
|         | 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         |
|         | <b>TOTAL</b>                   | <b>13133971</b>    | <b>100.00</b> |

**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  
Dated : 20th May, 2016

ROBIN BANERJEE  
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

|  |  |
|--|--|
| <b>Name of the Director</b>  | Mr. Suresh A. Gandhi   |
| <b>DIN</b>   | 00128495   |
| <b>Date of Birth</b>   | 25th September, 1950   |
| <b>Date of first appointment</b>   | 1st August, 1983   |
| <b>Qualifications</b>  | Chartered Accountant   |
| <b>Expertise in specific functional areas and experience</b>               | 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. |
| <b>Directorships held in other Companies (Excluding Private Companies)</b> | —  |
| <b>Committee positions held in other companies</b>                         | —  |
| <b>Number of Equity shares held in the Company</b>                         | 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.<br>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 :<br><a href="http://www.caprihans.india.com/Policy">www.caprihans.india.com/Policy</a>  |
| 2. | The Composition of the CSR Committee   | 1. Mr. Suresh A Gandhi - Chairman<br>2. Mr. Robin Banerjee - Member<br>3. Mr. Bhoumick 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.<br>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)   | <b>CIN: -</b>  | L29150MH1946PLC004877   |
| (ii)  | <b>Registration Date</b>   | 11/04/1946  |
| (iii) | <b>Name of the Company</b>   | CAPRIHANS INDIA LIMITED   |
| (iv)  | <b>Category/Sub-Category of the Company</b>                                      | Public Company limited by shares  |
| (v)   | <b>Address of the Registered office and contact details</b>                      | Block-D, Shivsagar Estate,<br>Dr. Annie Besant Road,<br>Worli, Mumbai - 400018<br><br>Tel.: 30478664, 30478665<br>Fax: 022 24934042<br>Email: cil@caprihansindia.com                            |
| (vi)  | <b>Whether listed Company</b>  | YES   |
| (vii) | <b>Name, Address and contact details of Registrar and Transfer agent, if any</b> | Link Intime India Pvt. Ltd.,<br>C-13, Pannalal Silk Mills Compound,<br>LBS Marg, Bhandup, Mumbai - 400078<br><br>Tel: 022 25963838<br>Fax: 022 25946969<br>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<br>Radebeulstrasse 1<br>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 |                          |
| <b>A. Shareholding of Promoter and Promoter Group</b>                             |  |             |                |                   |  |             |                |                   |                          |
| <b>(1) Indian</b>   |  |             |                |                   |  |             |                |                   |                          |
| 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                   |
| <b>SUB TOTAL: (A) (1)</b>   | <b>2748498</b>   | <b>0</b>    | <b>2748498</b> | <b>20.9266</b>    | <b>2748498</b>                                   | <b>0</b>    | <b>2748498</b> | <b>20.9266</b>    | <b>0.0000</b>            |
| <b>(2) Foreign</b>  |  |             |                |                   |  |             |                |                   |                          |
| 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                   |
| <b>SUB TOTAL: (A) (2)</b>   | <b>6698325</b>   | <b>0</b>    | <b>6698325</b> | <b>51.0000</b>    | <b>6698325</b>                                   | <b>0</b>    | <b>6698325</b> | <b>51.0000</b>    | <b>0.0000</b>            |
| <b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1)+(A)(2)</b>     | <b>9446823</b>   | <b>0</b>    | <b>9446823</b> | <b>71.9266</b>    | <b>9446823</b>                                   | <b>0</b>    | <b>9446823</b> | <b>71.9266</b>    | <b>0.0000</b>            |
| <b>B. Public Shareholding</b>   |  |             |                |                   |  |             |                |                   |                          |
| <b>(1) Institutions</b>   |  |             |                |                   |  |             |                |                   |                          |
| 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                   |
| <b>SUB TOTAL: (B)(1)</b>  | <b>484870</b>  | <b>3966</b> | <b>488836</b>  | <b>3.7219</b>     | <b>484870</b>                                    | <b>3966</b> | <b>488836</b>  | <b>3.7219</b>     | <b>0.0000</b>            |
| <b>(2) Non Institutions</b>   |  |             |                |                   |  |             |                |                   |                          |
| 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                  |
| <b>SUB TOTAL: (B)(2)</b>  | <b>2894653</b>   | <b>303659</b> | <b>3198312</b>  | <b>24.3514</b>    | <b>2907732</b>                                   | <b>290580</b> | <b>3198312</b>  | <b>24.3514</b>    | <b>0.0000</b>            |
| <b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>                                    | <b>3379523</b>   | <b>307625</b> | <b>3687148</b>  | <b>28.0734</b>    | <b>3392602</b>                                   | <b>294546</b> | <b>3687148</b>  | <b>28.0734</b>    | <b>0.0000</b>            |
| Total (A)+(B)   | 12826346   | 307625        | 13133971        | 100.0000          | 12839425   | 294546        | 13133971        | 100.0000          | 0.0000                   |
| <b>C. Non Promoter - Non Public</b>   |  |               |                 |                   |  |               |                 |                   |                          |
| 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                   |
| <b>Grand Total (A+B+C)</b>  | <b>12826346</b>  | <b>307625</b> | <b>13133971</b> | <b>100.0000</b>   | <b>12839425</b>                                  | <b>294546</b> | <b>13133971</b> | <b>100.0000</b>   | <b>0.0000</b>            |

## (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                                      |
|         | <b>Total</b>                                    | <b>9446823</b>   | <b>71.9266</b>                   | <b>70.91</b>                                   | <b>9446823</b>                                   | <b>71.9266</b>                   | <b>70.91</b>                                   | <b>0.00</b>                               |

**(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<br>– as % of Profit<br>– other, specify                                  | 0.00  |  |
| 5.      | Other, please specify: Contribution to Provident Fund & other funds.                | 7.92  |  |
|         | <b>Total (A)</b>  | <b>114.42</b>   |  |
|         | 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. Bhoumick 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         |
| <b>Total (1)</b>        | <b>6.80</b>                                  | <b>0.00</b> | <b>0.00</b> | <b>6.80</b>  |

**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         |
| <b>Total (2)</b>              | <b>2.80</b>                                  | <b>0.00</b> | <b>0.00</b> | <b>2.80</b>  |
| <b>Total B = (1+2)</b>        | <b>9.60</b>                                  | <b>0.00</b> | <b>0.00</b> | <b>9.60</b>  |
| <b>Ceiling as per the Act</b> | <b>9.60</b>                                  | <b>0.00</b> | <b>0.00</b> | <b>9.60</b>  |

**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<br>– as % of Profit<br>– other, specify                                  |                          |
| 5.      | Other, please specify Provident Fund & other funds Performance Bonus                | 2.13                     |
|         | <b>Total (c)</b>  | <b>30.80</b>             |

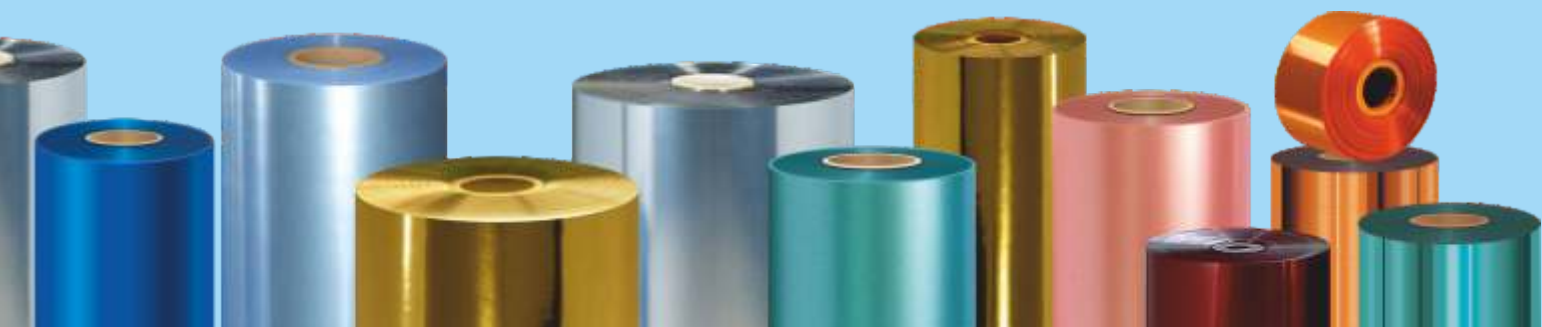
The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall basis. Further, salary for year ended March 31, 2016 excludes accrued leave salary paid of Rs. 10.63 lakhs.

**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      |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>WE OWNED</b>                                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Fixed Assets                                       | 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         |
|  | <b>12229.27</b> | <b>12127.09</b> | <b>12630.31</b> | <b>12479.22</b> | <b>12868.77</b> | <b>13069.56</b> | <b>14031.35</b> | <b>14507.91</b> | <b>15061.96</b> | <b>16346.64</b> |
| <b>WE OWED</b>                                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| 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          |
|  | <b>3212.78</b>  | <b>3096.47</b>  | <b>3507.24</b>  | <b>3248.78</b>  | <b>3137.39</b>  | <b>2865.32</b>  | <b>3454.53</b>  | <b>3636.17</b>  | <b>3755.41</b>  | <b>4624.42</b>  |
| <b>NET WORTH</b>                                   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| 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        |
|  | <b>9016.49</b>  | <b>9030.62</b>  | <b>9123.07</b>  | <b>9230.44</b>  | <b>9731.38</b>  | <b>10204.24</b> | <b>10576.82</b> | <b>10871.74</b> | <b>11306.55</b> | <b>11722.22</b> |
|  | <b>12229.27</b> | <b>12127.09</b> | <b>12630.31</b> | <b>12479.22</b> | <b>12868.77</b> | <b>13069.56</b> | <b>14031.35</b> | <b>14507.91</b> | <b>15061.96</b> | <b>16346.64</b> |
| <b>What We Earned and Spent</b>                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| <b>EARNINGS</b>                                    | <b>14609.73</b> | <b>14642.02</b> | <b>17022.36</b> | <b>18184.97</b> | <b>20842.52</b> | <b>21467.00</b> | <b>24518.59</b> | <b>27210.58</b> | <b>27612.55</b> | <b>26765.46</b> |
| <b>OUTGOINGS:</b>                                  |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| 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            |
|  | <b>13778.35</b> | <b>14340.22</b> | <b>16510.42</b> | <b>16880.72</b> | <b>19710.61</b> | <b>20399.17</b> | <b>23479.52</b> | <b>26400.17</b> | <b>26525.32</b> | <b>25033.64</b> |
| <b>Profit before extraordinary items &amp; tax</b> | <b>831.38</b>   | <b>301.80</b>   | <b>511.94</b>   | <b>1304.25</b>  | <b>1131.91</b>  | <b>1067.83</b>  | <b>1039.07</b>  | <b>810.41</b>   | <b>1087.23</b>  | <b>1731.82</b>  |
| 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          |
| <b>Balance</b>                                     | <b>521.74</b>   | <b>26.13</b>    | <b>104.45</b>   | <b>119.37</b>   | <b>512.94</b>   | <b>484.86</b>   | <b>448.58</b>   | <b>294.92</b>   | <b>468.11</b>   | <b>415.67</b>   |





## Quality Packaging Solutions



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